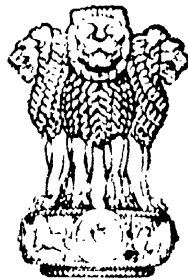








REPORT  
ON  
SURVEY OF LABOUR CONDITIONS  
IN  
PAPER AND PAPER PRODUCTS  
FACTORIES IN INDIA  
(1965-66)



सत्यमेव जयते

LABOUR BUREAU  
MINISTRY OF LABOUR, EMPLOYMENT AND REHABILITATION  
(DEPARTMENT OF LABOUR AND EMPLOYMENT)  
GOVERNMENT OF INDIA



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## PREFACE

Ever since India entered the Industrial field over a century ago, the industrial labour in the country and its problems have been the subject of interest. From earlier emphasis on prevention of exploitation of labour, the interest has now shifted to providing them a fair deal and fuller opportunities. Surveys that bring out true conditions of labour provide a sound base to the present day approach to problems of labour in India, in the context of planned economic development of the country.

A detailed Survey on a country-wide basis of the working and living conditions of industrial labour was conducted by the Labour Investigation Committee appointed by the Government of India in 1944. The years that followed witnessed far reaching changes in the set up of the country, its basic policies and national objectives. As a result, the well-being of the working class came to be recognised as an essential factor in the long-term strategy for industrial advance and in the overall economic stability and progress of the country. The adoption of this policy has brought about a new awakening in the ranks of labour and has afforded them much relief in various directions through legislation and other measures.

In order to assess the impact of these measures on the industrial labour and to make an appraisal of their present conditions, a scheme for a comprehensive Survey of Labour Conditions, was incorporated in the Second Five Year Plan. Its execution was entrusted to the Labour Bureau. The Survey was conducted according to a phased programme in 46 industries. This Report presents data regarding the Paper and Paper Products Industry covered under the Scheme during 1965-66.

The present Survey differs considerably from similar investigations in the past in matters of design, scope and presentation of data. It has also certain distinguishing features. For example, it furnishes data separately for large and small establishments in various industries, makes a limited study of labour cost in relation to the benefits and amenities that the workers now enjoy, and provides first hand information on certain important aspects of labour management relations. Attempt has also been made to collect and interpret data on certain conventional items in a more meaningful way. In the presentation of the data, the effort has been to reduce the information into quantitative terms so as to serve as a bench-mark for purposes of evaluation of changes at a future date. Recourse to general description has been resorted to only where the other type of treatment was not possible.

In a Survey of this magnitude, it was but natural that many problems had to be faced both in planning as well as execution. Most of these flowed from non-availability of up-to-date frames and absence or improper maintenance of records in many establishments. In many cases, the field staff had almost to build-up the required statistics from various sources. This naturally imposed a heavy demand on the industrial managements canvassed and the Bureau is deeply indebted to them for their whole-hearted co-operation. The co-operation and valuable assistance received from associations of employers

and workers, Labour Commissioners as well as Chief Inspectors of Factories and other officials of State Labour Departments is also gratefully acknowledged.

I am also thankful to the Central Statistical Organisation, the Chief Adviser of Factories\* and the Employment Division of the Planning Commission who evinced keen interest in the Survey and rendered technical advice on various matters. I am equally grateful to the Bureau of Labour Statistics, U.S.A., Government Social Survey Department, U. K., Economics and Research Branch, Department of Labour, Canada, and Labour Statistics and Research Division, Ministry of Labour, Japan, whose advice was sought on several technical matters.

The primary responsibility for conducting the present round (fourth and final) of the Survey was borne by Dr. J. N. Mongia, Deputy Director, supported by other officers of the Bureau on various statistical problems arising out of the Survey. The field investigations were carried out by Sarvashri R. N. Tewari, George Jacob, R. K. Pillay, R. K. Bhargava, Vijay Kumar Lohumi, A. S. Parmar, L. K. Kanuga, Harish Prakash, R. L. Khosla, Khajan Singh, S. C. Luthra, Harjinder Singh, M. P. Kanaujia and G. S. Kochhar under the supervision of Sarvashri Mahesh Chandra, B. S. Bhola, P. T. Deshpande and R. N. Mondal.

The preliminary draft of the Report was prepared by Sarvashri B. S. Bhola and Onkar Nath Misra, Investigators Grade I, and was finalised by Shri Harbans Lal, Deputy Director, with the assistance of Shri H. B. L. Bhatnagar, Assistant Director. Shri Bhatnagar was also responsible for supervising the manual tabulation of data. Part of the data relating to Survey of Labour Conditions in industries covered during the fourth round (1965-66) was, for the first time, tabulated by the Machine Tabulation Unit of the Labour Bureau, under the supervision of Shri Subir Kumar Gupta, Assistant Director. Sarvashri Kuljit Singh and R. C. Madan, Computers, assisted in computation of data. To all these I am deeply thankful.

The views expressed in this Report are not necessarily those of the Ministry of Labour, Employment and Rehabilitation (Department of Labour and Employment), Government of India.

K. K. BHATIA,  
*Director*

LABOUR BUREAU, SIMLA

*Dated the 6th January, 1969.*

\*Now designated as Director General, Factory Advice Service and Labour Institutes.

## CHAPTER I

### INTRODUCTION

The Paper and Paper Products Industry is one of the major industries of India and has made considerable progress since the Second World War, particularly during the Plan Periods, fulfilling its targets for capacity and production. The bulk of production comprises the more common types of paper, especially printing and writing paper. In 1949, the installed capacity of the industry was for 1,10,000 tons and the actual production was 1,03,200 tons. At the close of the Second Five Year Plan, the production of paper and paper boards was just over 3,50,000 tons with an installed capacity of 1,10,000 tons as against the target of 3,50,000 tons for production and 4,50,000 tons for installed capacity. With the implementation of the successive Five Year Plans, both the installed capacity of the industry and production are bound to increase.

#### *1.1. Location and Growth of the Industry*

The Paper and Paper Products Industry has a bright future and an important role to play in the economy of India. The impact of progress in literacy, education, social services and industries in the country since Independence had already led to an increase in the demand for paper and as the standard of living improves, the use of paper and paper boards for packaging, etc., will multiply.

Before the beginning of the First Five Year Plan, i.e., in 1951, there were 100 factories engaged in the production of paper and paper products in India providing employment to about 24 thousand persons. As against it, in 1965, the number of factories rose to 417 with an average daily employment of about 56 thousand, thus showing a little over four-fold increase in the number of factories and more than two times increase in employment.

Statement 1.1 gives State-wise details of the number of Paper and Paper Products factories in India and the workers employed therein during the year 1965.

## STATEMENT 1·1

*State-wise Distribution of Paper and Paper Products Factories\* in India and Average Daily Employment therein during 1965.*

State					Number of Factories	Average Daily Employment
1					2	3
1. Andhra Pradesh	..	..	..	..	7 (1·7)	2,687 (4·8)
2. Bihar	..	..	..	..	8 (1·9)	3,456 (6·1)
3. Gujarat	..	..	..	..	37 (8·9)	3,293 (5·8)
4. Jammu and Kashmir	..	..	..	..	1 (0·2)	12 (**)
5. Kerala	..	..	..	..	8 (1·9)	1,766 (3·1)
6. Madhya Pradesh	..	..	..	..	11 (2·7)	3,231 (5·7)
7. Madras	..	..	..	..	48 (11·5)	2,392 (4·3)
8. Maharashtra	..	..	..	..	138 (33·1)	9,453 (16·8)
9. Mysore	..	..	..	..	17 (4·1)	4,419 (7·9)
10. Orissa	..	..	..	..	8 (1·9)	4,382 (7·8)
11. Punjab	..	..	..	..	17 (4·1)	3,456 (6·1)
12. Rajasthan	..	..	..	..	3 (0·7)	76 (0·1)
13. Uttar Pradesh	..	..	..	..	27 (6·5)	3,175 (5·6)
14. West Bengal	..	..	..	..	84 (20·1)	14,500 (25·8)
15. Delhi	..	..	..	..	3 (0·7)	44 (0·1)
Total				..	417 (100·0)	56,342 (100·0)

It would be seen from the above Statement that, judging from the establishment angle, the Industry is mainly concentrated in Maharashtra which accounted for about one-third of the factories in 1965, followed by West Bengal (about one-fifth of the factories) and Madras (about 12 per cent. of the factories). However, judged from the number of workers employed, West Bengal occupied the top position accounting for nearly 26 per cent. of the total number of workers employed in the Industry in 1965, followed by Maharashtra with about 17 per cent. of the total employment.

### 1·2. Genesis of the Survey

The first comprehensive survey of conditions of labour in various industries in India, on a country-wide basis, was conducted by the Royal Commission on Labour during 1929-31. Its report and findings formed the basis of various ameliorative measures introduced by the Government in the field of labour. After a lapse of over a decade, i.e., in 1944, the Government of India appointed

\*Registered under the Factories Act, 1948.

\*\*Less than 0·05 per cent.

NOTE—Figures shown in brackets are percentages to total.

Source—Returns received under the Factories Act, 1948.

another Committee, namely the Labour Investigation Committee, to enquire into the conditions of labour in all important industries. The Committee conducted, in 1944-45, detailed investigations in 38 industries including the Paper Industry and, besides a main report on labour conditions in general, published individual reports in respect of various industries. The Committee's reports proved to be a useful source of information required for the formulation of labour policy. The years that followed witnessed many changes of far-reaching significance. For instance, many legislative measures were adopted to improve working and living conditions and several schemes were introduced for promoting welfare and social security of workers. The setting up of the adjudication machinery also led to improvement in conditions of work and increase in wages in various industries. Above all, the attainment of Independence by the country in 1947 gave a new status to the working class. With a view to evaluating and assessing the effects of the various measures adopted, the Ministry of Labour and Employment as well as the Planning Commission considered it necessary that a fresh comprehensive survey of labour conditions in various industries should be conducted. Such a survey, it was felt, would also help the Government in obtaining a precise picture of the existing conditions and problems of labour for purposes of deciding the future course of action. Accordingly, a scheme for the conduct of a Survey of Labour Conditions was included in the Second Five Year Plan and the Labour Bureau was entrusted with its execution. The scheme drawn up by the Bureau envisaged to cover 46 industries according to a phased programme in four different rounds. Paper and Paper Products Industry was one of the 18 industries covered during the fourth round (1965-66) of the Survey of Labour Conditions.

### 1.3. *Scope and Design*

The Survey covered all Paper and Paper Products factories engaged in the manufacture of pulp, paper, paper board and straw boards, etc. A note attached to the Report (Appendix) gives details relating to the sample design and method of estimation adopted. In view of the absence of a complete list of all Paper and Paper Products factories in the country, the scope of the Survey was restricted to establishments registered under the Factories Act, 1948. The list of registered factories for the year 1963 was used as the frame except in the case of Andhra Pradesh and Maharashtra for which the list related to the year 1962. As the list indicated concentration of Paper and Paper Products factories in West Bengal, it was decided to treat West Bengal as a separate regional stratum and to club the rest of the factories in the country to form the Residual stratum. However, since the past experience of the Survey in different industries had shown that wide variations existed in conditions of work, standards of welfare, amenities, etc., in the units of different size-groups in each industry, it was felt that it would be useful to have separate data for the units of different sizes. It was, therefore, decided that for purposes of the Survey, factories engaged in the manufacture of Paper and Paper Products should be divided into two size-groups, large and small. For this purpose, the cut-off point chosen was 165 which was approximately equal to the average size of employment per factory. The sampling fraction adopted was  $33\frac{1}{3}$  per cent. for large-size and 20 per cent. for small-size factories.

Statement 1·2 shows the number of Paper and Paper Products factories together with the number of workers employed therein (a) in the frame, (b) in the sample selected and (c) in the sample actually covered.

### STATEMENT 1·2

*Number of Paper and Paper Products Factories and Workers Employed therein in the Frame, Sample, etc.*

Centre	In the Frame 1962-63		In the Sample Selected		In the Sample Actually Covered	
	Number of Fac- tories	Number of Workers	Number of Fac- tories	Number of Workers	Number of Factories	Number of Workers
1	2	3	4	5	6	7
1. West Bengal ..	62	13,714	14	4,206	11 (17·7)	4,171 (30·4)
(a) Large Factories..	9	10,929	3	3,768	3 (33·3)	3,768 (34·5)
(b) Small Factories	53	2,785	11	438	8 (15·1)	403 (14·5)
2. Residual ..	247	33,640	54	10,592	51 (20·6)	10,339 (30·7)
(a) Large Factories..	33	25,740	11	8,979	10 (30·3)	8,759 (34·0)
(b) Small Factories..	214	7,900	43	1,613	41 (19·2)	1,580 (20·0)
3. All India ..	309	17,354	68	14,798	62 (20·1)	14,510 (30·6)
(a) Large Factories..	42	36,669	14	12,747	13 (31·0)	12,527 (34·2)
(b) Small Factories	267	10,685	54	2,051	49 (18·4)	1,983 (18·6)

NOTE—Figures within brackets in columns (6) and (7) are percentages to the total number of factories and workers as given in columns (2) and (3) respectively.

From the figures given in the Statement (1·2), it would be seen that the Survey ultimately covered nearly 20 per cent. of the factories and about 31 per cent. of the workers employed therein. Since only those factories which featured in the frame were included in the sample and as it was not possible to take account of the new factories which came into being during the period of the Survey, the information given in this Report should be treated to relate to factories which were in existence during the period to which the frame relates (i.e., 1962-63) and which continued to exist till the time of the Survey, (i. e., 1965-66).

The data were collected by personal visits of the field staff of the Bureau. With a view to testing the schedule and instructions prepared for the Survey, as also to impart training to the field staff, a pilot enquiry was conducted in September and October, 1959, before taking up the first round of the Survey

of Labour Conditions in December, 1959. On the basis of the pilot enquiry as well as the experience gained during the earlier three rounds of the Survey, some major changes were carried out in the schedule\* used for the collection of data in the fourth round. For example, information pertaining to absenteeism, labour turnover, pay periods, earnings of production workers, etc., was not collected during the fourth round as such information was already being collected under other schemes of the Bureau, viz., Occupational Wage Survey, Annual Survey of Industries, etc.

The main field enquiry was launched in April, 1965 and was completed in February, 1966. As such, the data, except where otherwise specified, should be deemed to relate to this period, i.e., 1965-66.

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\*The schedule used for the Survey has been published in the Report on Survey of Labour Conditions in the Artificial Manure Factories in India (1965-66).



## CHAPTER II

### EMPLOYMENT

#### 2.1. *Composition of the Working Force*

During the course of the present Survey, with a view to ensuring comparability as well as uniformity of statistics collected from different sampled establishments, data pertaining to employment were collected as on a fixed date, i.e., March 31, 1965. The Survey results show that on this date the estimated total number of workers employed in the Paper and Paper Products factories in the country was about 69 thousand. This estimate differs from the corresponding statistics of the Factories Act, 1948 (i.e., about 56 thousand) for the year 1965, the main reason for the difference being that whereas the former includes even those workers who, though employed in registered factories, were not deemed to be covered under the Factories Act, the latter does not take such workers into account. Besides, the estimated figure relates to a particular point of time, whereas the Factories Act figure represents the average daily employment during the whole year.

##### 2.1.1. *Distribution of the Working Force by Broad Occupational Groups*

For purposes of the present Survey, the internationally accepted classification\* of workers was followed, according to which the workers in the Paper and Paper Products factories have been classified into the following five categories:—

- (a) Professional, Technical and Related Personnel.
- (b) Administrative, Executive and Managerial Personnel.
- (c) Clerical and Related Workers (including Supervisory).
- (d) Production and Related Workers (including Supervisory).
- (e) Watch and Ward and Other Services.

Statement 2.1 shows the estimated percentage distribution of workers in the above mentioned occupational groups.

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\*International Standard Classification of Occupations.

## STATEMENT 2 · 1

*Estimated Percentage Distribution of Workers by Broad Occupational Groups (31st March, 1965)*

Centre	Estimated Total Number of Workers*	Profession- al, Technical and Related Personnel	Adminis- trative, Executive and Managerial Personnel	Clerical and Related Workers (including Supervi- sory)	Production and Related Workers (including Supervi- sory)	Watch and Ward and Other Services
1	2	3	4	5	6	7
1. West Bengal ..	16,855	3·2	1·2	5·1	84·4	6·1
(a) Large Factories..	13,088	4·0	1·1	5·4	83·7	5·8
(b) Small Factories..	3,767	0·2	1·3	4·1	87·2	7·2
2. Residual .. ..	52,054	3·1	1·0	6·0	82·0	7·9
(a) Large Factories..	40,778	3·2	0·4	6·3	80·9	9·2
(b) Small Factories	11,276	2·5	3·2	4·9	86·2	3·2
3. All-India .. ..	68,909	3·1	1·0	5·8	82·6	7·5
(a) Large Factories..	53,866	3·4	0·6	6·1	81·5	8·4
(b) Small Factories	15,043	1·9	2·7	4·7	86·5	4·2

\*‘Covered’ as well as ‘not covered’ under the Factories Act, 1948.

The statement shows that an overwhelming majority of the working force in the Paper and Paper Products Industry belonged to the group ‘Production and Related Workers (including Supervisory)’ who accounted for about 83 per cent. of the total workers. ‘Watch and Ward and Other Services’ and ‘Clerical and Related Workers (including Supervisory)’ formed about 7 and about 6 per cent. of the total working force respectively. The rest were ‘Professional, Technical and Related Personnel’ (about 3 per cent.) and ‘Administrative, Executive and Managerial Personnel’ (1 per cent.) As between the two strata there was not much difference in the composition of the working force in all the groups, it was, more or less, as at the all-India level. So far as large and small factories are concerned, the proportion of ‘Production and Related Workers (including Supervisory)’ and ‘Administrative, Executive and Managerial Personnel’ was lower in the large factories as compared to small ones. The reverse was the case for the other groups except for ‘Watch and Ward and Other Services’ in West Bengal.

#### 2·1·2. *Distribution of Workers by ‘Covered’ and ‘Not Covered’ under the Factories Act, 1948.*

The Factories Act, 1948, defines worker as “a person employed, directly or through any agency whether for wages or not, in any manufacturing process, or in cleaning any part of the machinery or premises used for a manufacturing process, or in any other kind of work incidental to or connected with the manufacturing process, or the subject of manufacturing process”. During the

course of the Survey, it was observed that there was no uniformity with regard to the interpretation of the above definition of 'worker' and consequently, while some units had included certain categories of employees among those covered under the Factories Act, others tended to exclude them. Such workers as were not covered under the Factories Act formed about 11 per cent. of the total number of workers, their percentage in the factories in West Bengal and the Residual Group being 9 and about 11 respectively. Details of workers 'covered' and 'not covered' by broad occupational groups are given in Statement 2.2.

## STATEMENT 2.2

*Estimated Percentage Distribution of Workers 'Covered' and 'Not Covered' under the Factories Act, 1948 (31st March, 1965)*

Centre	Professional, Technical and Related Personnel		Administrative, Executive and Managerial Personnel		Clerical and Related Workers (including Supervisory)		Production and Related Workers (including Supervisory)		Watch and Ward and Other Services		Total	
	Cov- ered	Not- cov- ered	Cov- ered	Not- cov- ered	Cov- ered	Not- cov- ered	Cov- ered	Not- cov- ered	Cov- ered	Not- cov- ered	Cov- ered	Not- cov- ered
1	2	3	4	5	6	7	8	9	10	11	12	13
1. West Ben- gal ..	71.6	28.4	8.2	91.8	52.0	48.0	99.5	0.5	32.9	67.1	91.0	9.0
(a) Large Factories	71.2	28.8	6.1	93.9	45.3	54.7	99.3	0.7	13.5	86.5	89.2	10.8
(b) Small Factories	100.0	—	14.6	85.4	82.7	17.3	100.0	—	87.4	12.6	97.3	2.7
2. Residual	39.1	60.9	35.5	64.5	53.5	46.5	97.3	2.7	50.7	49.8	88.6	11.4
(a) Large Factories	27.7	72.3	29.2	70.8	45.4	54.6	96.6	3.4	46.9	53.1	86.3	13.7
(b) Small Factories	91.5	8.5	38.4	61.6	91.1	8.9	99.8	0.2	89.3	10.7	96.8	3.2
3. All-India	47.3	52.7	28.0	72.0	53.2	46.8	97.8	2.2	47.1	52.9	89.2	10.8
(a) Large Factories	40.2	59.8	18.1	81.9	45.4	54.6	97.2	2.8	41.3	58.7	87.0	13.0
(b) Small Factories	91.7	8.3	35.6	64.4	89.2	10.8	99.8	0.2	88.5	11.5	97.0	3.0

It would be seen from the Statement that the proportion of workers 'not covered' under the Factories Act was the highest (72 per cent.) in the group 'Administrative, Executive and Managerial Personnel' and the lowest (about 2 per cent.) in the group 'Production and Related Workers (including Supervisory)'.

A further examination of the data shows that, of the total number of about 61·5 thousand workers covered under the Act, about 91 per cent. belonged to the group 'Production and Related Workers', about 4 per cent. to 'Watch and Ward and Other Services', about 3 per cent. to 'Clerical and Related Workers' and about 2 per cent. to 'Professional, Technical and Related Personnel'. The proportion of 'Administrative, Executive, and Managerial Personnel' was negligible. Similarly, the break-up of the total number of about 7·5 thousand workers 'not covered' under the Act was about 16, 37, 25, 15 and 7 per cent. for the above mentioned groups respectively.

## 2·2. *Employment of Women*

From the report of the Labour Investigation Committee it is seen that, during 1944-45, women workers accounted for about 8 per cent. of the total labour force in the paper mills. The present Survey has, however, revealed that the employment of women in the Industry was not of significant proportions. Although women were employed in 43 per cent. of the paper factories in the country, they formed only about 4 per cent. of the total working force. Details regarding the employment strength of women and the percentage of factories employing them are presented in Statement 2·3.

### STATEMENT 2·3

#### *Estimated Proportion of Women Workers (31st March, 1965)*

Centro	Number of Factories*	Percentage of Factories Employing Women	Total Number of Workers†	Percentage of Women Workers (of Col. 4)	Percentage of Women Workers to the Total Women Workers in the Industry
1	2	3	4	5	6
1. West Bengal ..	57	47·4	16,855	1·7	11·8
(a) Large Factories..	9	33·3	13,088	0·3	5·0
(b) Small Factories..	48	50·0	3,767	6·5	15·7
2. Residual .. ..	235	41·9	52,054	4·1	88·2
(a) Large Factories..	32	60·0	40,778	2·1	95·0
(b) Small Factories..	203	39·0	11,276	11·6	84·3
3. All-India .. ..	292	43·0	68,909	3·5	100·0
(a) Large Factories ..	41	54·2	53,866	1·6	100·0
(b) Small Factories ..	251	41·1	15,043	10·3	100·0

\*This number does not tally with the number of factories in Statement 1·2. The difference is due to the fact that certain factories were found closed at the time of the Survey.

†Both 'Covered' and 'Not Covered' under the Factories Act, 1948.

It will be seen from the Statement (2·3) that women were employed more in small factories than in large ones. About 88 per cent. of the total number of women workers were employed in the factories in the Residual Group and the remaining 12 per cent. in West Bengal.

Data were also collected in respect of the distribution of women workers by broad occupational groups. It was found that nearly 81 per cent. of women workers were employed in the group 'Production and Related Workers (including Supervisory)', about 15 per cent. were engaged as Watch and Ward employees and about 3 per cent. as 'Professional, Technical and Related Personnel'. The remaining two groups accounted for the rest of the women workers. The nature of work done by women workers included paper box making, packing, bamboo handling, sorting, gardening, sweeping and cleaning, loading and unloading and clerical work. The reasons generally advanced by the employers for employing women workers were either their suitability for the particular type of job handled by them or lower rates of wages paid to them as compared to men workers.

### 2·3. *Child Labour*

The Labour Investigation Committee had reported that there was not much employment of children in the Industry during 1944-45. The present Survey has also revealed that only one small unit in the Residual Group was found to have employed a few children as sorters. According to the management, children were preferred for this job as the work was easy and it was more economical to employ them.

### 2·4. *Time-rated and Piece-rated Workers*

Data regarding system of payment were collected in respect of 'Production and Related Workers' employed directly as well as through contractors and covered under the Factories Act. Details are set out in Statement. 2·4.

It will be noticed from the Statement that about 96 per cent. of the workers in the Industry, as a whole, were time-rated and the rest (*i.e.*, about 4 per cent.) were piece-rated.

Even during 1944-45 when the Labour Investigation Committee had conducted their enquiry, bulk of the workers in the industry were time-rated and only those in the Finishing Department were on piece-rates. The pattern was, more or less, the same in both West Bengal and the Residual Group. It was further noticed during the present Survey that all the children employed in the Industry were time-rated.

STATEMENT 2.4

*Estimated Percentage Distribution of Production and Related Workers by Methods of Payment*  
(31st March, 1965)

Centre	Percentage Distribution of Workers by Sex and Method of Payment									
	Estimated Total Number of Production Workers*	Distribution of Workers into		Men		Women		Children		
		Time- rated	Piece- rated	Time- rated	Piece- rated	Time- rated	Piece- rated	Time- rated	Piece- rated	
1	2	3	4	5	6	7	8	9	10	
1. West Bengal	..	..	96.6	4.0	95.9	4.1	100.0	—	—	—
(a) Large Factories..	..	..	95.0	5.0	95.0	5.0	100.0	—	—	—
(b) Small Factories..	..	..	99.2	0.8	95.1	0.9	100.0	—	—	—
2. Residual	..	..	95.4	4.6	95.6	4.4	92.2	7.8	100.0	—
(a) Large Factories..	..	..	95.9	4.1	95.9	4.1	94.1	5.9	—	—
(b) Small Factories ..	..	..	93.9	6.1	91.3	5.7	91.6	8.4	100.0	—
3. All-India	..	..	95.6	4.4	95.7	4.3	93.3	6.7	100.0	—
(a) Large Factories..	..	..	95.7	4.3	95.7	4.3	94.7	5.3	—	—
(b) Small Factories ..	..	..	95.2	4.8	95.6	4.4	92.9	7.1	100.0	—

\*Covered under the Factories Act, 1948. The figures include direct and contract labour but exclude 6 unpaid workers.

## 2.5. Contract Labour

Employment of workers through contractors was not common in the Paper and Paper Products Industry. The Survey has revealed that hardly 1 per cent. of the 'Production and Related Workers' were found to have been employed through contractors in about 6 per cent. of the factories in the country. Even at the time of the Labour Investigation Committee's enquiry, contract labour was not employed in any centre except Bengal. Details are presented in Statement 2.5.

### STATEMENT 2.5

#### *Estimated Percentage of Factories Employing Contract Labour (31st March, 1965)*

Centre				Number of Factories	Percent- age of Factories Employing Contract Labour	Esti- mated Total Number of Production workers* in the Industry	Percent- age of Production Workers Employed through Contract- ors
1				2	3	4	5
1.	West Bengal	..	..	57	15.8	14,156	266(1.9)
	(a) Large Factories	..	..	9	33.3	10,871	96(0.9)
	(b) Small Factories	..	..	48	12.5	3,285	170(5.2)
2.	Residual	..	..	235	3.5	11,550	119(0.3)
	(a) Large Factories	..	..	32	10.0	31,854	104(0.3)
	(b) Small Factories	..	..	203	2.4	9,696	15(0.2)
3.	All-India	..	..	292	5.9	55,706	385(0.7)
	(a) Large Factories	..	..	41	15.1	42,725	200(0.5)
	(b) Small Factories	..	..	251	4.4	12,981	185(1.4)

\*Covered under the Factories Act, 1948.

NOTE: -Figures within brackets in Column 5 are percentages to those in Column 4.

It will be seen from the Statement that the percentage of factories employing contract labour was about 16 in West Bengal and nearly 4 in the Residual Group. Contract labour was employed on jobs like packing, salai wood handling, removing stains from printed material, etc. The main reasons advanced by the employers for employment of such workers were the convenience, economy and relief from the botheration of making supervisory arrangements.

## 2.6. System of Recruitment

The Labour Investigation Committee, at the time of their enquiry, had found that recruitment was made mostly directly by the factory managements. According to the present Survey, a majority of the workers (about 86 per cent.) in the Industry were found to have been recruited directly by the managements, i.e., about 48 per cent. at the factory gate, about 37 per cent. through Labour Offices and the rest (i.e., about 1 per cent.) through departmental heads. Of the remaining workers, about 8 per cent. were recruited through Employment Exchanges and the rest (i.e., 6 per cent.) through other methods like advertisement, interview, etc. The practice of recruiting workers through intermediaries like *Mistries*, jobbers, recruiters, etc., was not in vogue in any of the units surveyed.

The system of recruiting workers at the factory gate was more popular in the factories in the Residual Group as about 51 per cent. of the workers had been recruited there in this manner as against 28 per cent. in West Bengal. On the contrary, the system of recruitment through Labour Offices was more popular in West Bengal as this method accounted for the recruitment of about 59 per cent. of the workers as against 31 per cent. in the Residual Group. No workers had been recruited through departmental heads in the Residual Group whereas about 4 per cent. of the workers had been recruited in this manner in West Bengal. Employment Exchanges were more popular in the Residual Group as they accounted for the recruitment of about one-tenth of the workers there. In West Bengal, their services were sparingly used.

## 2.7. Employment Status

During the course of the Survey, information pertaining to the classification of directly employed 'Production and Related Workers' into different categories of employment status *i.e.*, permanent, temporary, probationers, etc., was also collected and is presented in Statement 2.6. It may be pointed out that for purposes of classification of workers into permanent, temporary, probationers, *badli*, casual, apprentices, etc., the definitions as contained in the Standing Orders framed under the Industrial Employment (Standing Orders) Act, 1946, or some of the State Acts, were relied upon. However, since these Acts apply to only those establishments which employ more than a certain number of workers, many of the Paper and Paper Products factories had not framed such Orders. In their case, reliance had to be placed on the version of the managements.

### STATEMENT 2.6

#### *Estimated Percentage Distribution of Production and Related Workers by Employment Status (31st March, 1965)*

Centre	Total Number of Production Workers*	Percentage Distribution of Workers						
		Perma- nent Wor- kers	Proba- tioners	Tempo- rary Wor- kers	<i>Badli</i> s	Casual Wor- kers	Apprentices	
							Paid	Unpaid
1	2	3	4	5	6	7	8	9
1. West Bengal ..	13,890	77.6	0.3	2.4	10.3	9.1	0.3	—
(a) Large Fac- tories ..	10,775	77.2	0.3	0.4	13.3	8.3	0.5	—
(b) Small Fac- tories ..	3,115	78.9	—	9.1	—	12.0	—	—
2. Residual ..	41,431	76.1	0.4	12.2	1.0	9.7	0.6	†
(a) Large Fac- tories ..	31,750	82.3	0.2	5.8	0.8	10.3	0.6	†
(b) Small Fac- tories ..	9,681	55.9	1.1	33.0	1.9	7.5	0.6	—
3. All India ..	55,321	76.5	0.4	9.7	3.4	9.5	0.5	†
(a) Large Fac- tories ..	42,525	81.0	0.2	4.5	4.0	9.8	0.5	†
(b) Small Fac- tories ..	12,796	61.5	0.8	27.2	1.4	8.6	0.5	—

\* Employed directly and covered under the Factories Act, 1948.

† Less than 0.05.



It is estimated on the basis of the results Survey that about 76 per cent. of the 'Production and Related Workers' in the Industry were permanent, about 10 per cent. each were temporary and casual workers and about 3 per cent. were *badlis*. The rest of the workers consisted of probationers and apprentices. The proportion of permanent workers was a little higher in West Bengal as compared to the Residual Group. Again, large factories employed more of permanent workers as compared to small units.

## 2.8. Length of Service

A study of the distribution of directly employed 'Production and Related Workers' according to length of service was made during the present Survey. Wherever managements maintained records showing the date of appointment of their employees (*e.g.*, service cards, leave records, etc.) the information was collected from such records, but in their absence the version of the managements was relied upon. Data collected are presented in Statement 2.7.

### STATEMENT 2.7

*Estimated Percentage Distribution of Production and Related Workers  
According to Length of Service  
(31st March, 1965)*

Centre	Total Number of Production Workers*	Percentage Distribution of Workers Having Length of Service of					of
		Under 1 year	1 Year and more but under 5 years	5 years and more but under 10 years	10 years and more but under 15 years	15 years and above	
1	2	3	4	5	6	7	
1. West Bengal ..	13,890	24.4	21.6	12.8	15.2	26.0	
(a) Large Factories	10,775	23.1	17.8	11.7	17.0	30.4	
(b) Small Factories	3,115	29.0	34.8	16.6	8.7	10.9	
2. Residual ..	11,425	24.7	21.3	20.8	9.0	24.2	
(a) Large Factories	31,744	18.9	19.1	22.2	9.8	30.0	
(b) Small Factories	9,681	43.9	28.4	16.2	6.4	5.1	
3. All-India ..	55,315	24.6	21.4	18.8	10.5	24.7	
(a) Large Factories	42,519	20.0	18.8	19.5	11.6	30.1	
(b) Small Factories	12,796	40.3	29.9	16.3	7.0	6.5	

\*Covered under the Factories Act, 1948 and employed directly but excluding 6 unpaid workers.

It will be seen from the Statement (2·7) that about 25 per cent. of the Production and Related Workers' in the Industry had less than one year's service as on 31st March, 1965, about 21 per cent. between one year and more but less than 5 years' service and about 19 per cent. of the workers had 5 years and more but less than 10 years' service. The remaining about 35 per cent. of the workers had put in a service of 10 years or more on the specified date. Workers having longer length of service were more in large factories as compared to small ones. As between West Bengal and the Residual Group, the distribution of workers according to their length of service was more or less, on the pattern of all India, except in the case of two groups coming between 5 years and more but less than 15 years.

## 2·9. *Absenteeism and Labour Turnover*

As mentioned earlier, during the present Survey, statistical data pertaining to absenteeism and labour turnover were not collected because such information had already been collected separately by the Bureau under the Annual Survey of Industries and it was expected that the same could be utilized for this Report also. Since the data pertaining to 1964 are still in the processing stage, no use could be made of them in this Report. However, during the present Survey, an attempt was made to have a general idea about the measures taken by the managements to reduce absenteeism and labour turnover. The statistics revealed that measures for reducing absenteeism had been taken in about 21 per cent. of the units in West Bengal and 16 per cent. in the Residual Group or about 17 per cent. of the factories in the Industry, as a whole. The proportion of such factories was higher (about 46 per cent.) in the large size as against 12 per cent. in the small size. Generally speaking, the steps taken were payment of attendance bonus and other preventive measures like issue of warning and taking disciplinary action against unauthorised absences. It was, however, found that none of the units surveyed had taken any measures for reducing labour turnover.

## 2·10. *Regulation of Employment of Badli and Casual Labour*

The system of employment of *badli* and casual labour was prevalent in about 15 per cent. of the Paper and Paper Products factories in the country comprising about 37 per cent. of the factories in West Bengal and 10 per cent. in the Residual Group. Of these, only about 40 per cent. comprising about 14 per cent. of the factories in West Bengal and 64 per cent. in the Residual Group had taken some steps to regulate their employment by absorbing them in regular vacancies according to their seniority and suitability.

## 2·11. *Training and Apprenticeship*

During 1944-45, the Labour Investigation Committee had reported the existence of the system of apprenticeship in some of the factories visited by them in Bengal, Orissa and Punjab. The present Survey has revealed that training and apprenticeship facilities existed in about 10 per cent. of the factories in the Industry, comprising 46 per cent. of large and 4 per cent. of small units. The proportion of factories having provided such facilities was higher (11 per cent.) in the Residual Group than West Bengal (5 per cent.)

The schemes were regular in about 78 per cent. of the factories providing the facility and in the rest of the factories (i.e., about 22 per cent.), the arrangements made were *ad hoc*. All such units in West Bengal (which were large only) and small units in the Residual Group had introduced regular schemes for the purpose. There were written contracts between the apprentices and the employers in about 89 per cent. of the factories providing training. In about 45 per cent. of the factories, arrangements existed for supplementing on-the-job training with theoretical courses.

The training was usually imparted in jobs like those of fitters, carpenters, draftsmen, blacksmiths, hand-made Paper manufacturing and engineering, etc. The period of training varied from six months to four years depending upon the nature of the trade and degree of skill aimed at. In all the cases, the trainees were paid some remuneration, the amount of which ranged between Rs. 20 and Rs. 400 per month. The conditions prescribed for eligibility for training also differed widely e.g., in some trades education up to middle or matric standard was required while, in some others, only the diploma holders from Industrial Training Institutes or engineering graduates were admitted.

## CHAPTER III

### WAGES AND EARNINGS

During the course of the present Survey, no attempt was made to collect data on wage rates for individual occupations as well as wage revisions since this information had already been collected by the Bureau under the Second Occupational Wage Survey (1963-65).

#### 3.1. *Earnings*

##### 3.1.1. *Average Daily Earnings of Different Categories of Workers*

As mentioned earlier, in order to avoid duplication in the collection of data, information relating to pay period and earnings of 'Production and Related Workers' and All Workers which was to be obtained under the Second Occupational Wage Survey was not collected in the present Survey. Since the data collected under the Second Occupational Wage Survey are still being processed, it has not been possible to incorporate the same in this Report. The data on earnings collected during the present Survey, therefore, relate to the remaining four categories of workers viz., Professional, Technical and Related Personnel; Administrative, Executive and Managerial Personnel; Clerical and Related Workers (including Supervisory); and Watch and Ward and Other Services. This information relates to the pay-period immediately preceding the specified date i.e., 31st March, 1965 and is in respect of workers covered under the Factories Act, 1948. Statement 3.1 shows average daily earnings of the different categories of workers during March, 1965.

#### STATEMENT 3.1

#### *Estimated Average Daily Earnings of Workers\* by Broad Occupational Groups (March, 1965)*

(In Rupees)

Centre				Professional, Technical and Related Personnel	Administrative, Executive and Managerial Personnel	Clerical and Related Workers (including Supervisory)	Watch and Ward and Other Services
1				2	3	4	5
1. West Bengal	..	..	..	15.50	29.82	6.97	3.34
(a) Large Factories	..	..	..	15.57	56.69	7.40	4.32
(b) Small Factories	..	..	..	11.98	4.63	5.90	2.91
2. Residual	..	..	..	19.52	57.01	12.10	4.29
(a) Large Factories	..	..	..	18.67	42.65	8.80	4.13
(b) Small Factories	..	..	..	20.78	62.37	20.56	5.11
3. All-India	..	..	..	17.98	54.99	10.97	4.16
(a) Large Factories	..	..	..	17.10	44.41	8.50	4.14
(b) Small Factories	..	..	..	20.52	59.25	17.28	4.24

\*Covered under the Factories Act, 1948.

It would be seen from the Statement that during March, 1965, the average daily earnings of workers belonging to the group 'Administrative, Executive and Managerial Personnel' were the highest (Rs. 54.99) and those of 'Watch and Ward and Other Services' the lowest (Rs. 4.16). Workers belonging to the category 'Professional, Technical and Related Personnel' and 'Clerical and Related Workers (including Supervisory)' earned, on an average, Rs. 17.98 and Rs. 10.97 per day respectively. Both in the Residual Group of factories and at the all-India level, the average daily earnings of all the four categories of workers were higher in small factories as compared to large ones. The figure of Rs. 4.63 against small factories in West Bengal under 'Administrative, Executive and Managerial Personnel' is very much on the low side because it is based on one unit which employed only one worker under this category in March, 1965.

The pay-period for all the four categories of workers was a month in most of the Paper and Paper Products factories.

### 3.1.2. Average Daily Earnings of All Workers

Statement 3.2 shows the average daily earnings, by components, of all workers during 1965 in the Paper and Paper Products factories in the country, as a whole. The information is based on returns received under the Payment of Wages Act, 1936, and relates to employees earning less than Rs. 400 per month and employed in factories as defined under Section 2(m) of the Factories Act, 1948 i.e., factories employing (i) 10 or more workers and using power and (ii) 20 or more workers and not using power. It may be mentioned that since the data have been compiled for factories submitting returns, they are subject to errors of non-response. Under the Payment of Wages Act, 1936, figures are separately collected for total earnings (before deductions) of employees covered under the Act and the corresponding total man-days worked. Average daily earnings are derived by dividing the former by the latter.

### STATEMENT 3·2

*Average Daily Earnings of All Workers by Components (1965)*

Component							Average Daily Earnings	Percent- age
1							2	3
							Rs.	
1	Basic Wages	..	..	..	..	..	4.16	78.0
2.	Cash Allowances (including dearness allowance)	..	..	..	..	..	0.91	17.1
3.	Bonus	..	..	..	..	..	0.19	3.6
4.	Money Value of Concessions	..	..	..	..	..	0.04	0.7
5.	Arrears	..	..	..	..	..	0.03	0.6
Total							5.33	100.0

It would be seen from the Statement that basic wages alone accounted for 78 per cent. of the total earnings, followed by cash allowances (about 17 per cent.) and bonuses (about 4 per cent.). The contribution of money value of concessions and arrears together accounted for the remaining about 1 per cent.

### 3.2. *Dearness Allowance*

The Survey results show that dearness allowance, in addition to basic wage, was being paid in about 27 per cent. of the Paper and Paper Products factories in the country, out of which large factories accounted for about 77 per cent., and small factories for about 19 per cent. About 37 per cent. of the factories in West Bengal (comprising all large and one-fourth small factories) and about 21 per cent. in the Residual Group (comprising 70 per cent. large and about 17 per cent. small factories) were paying a separate dearness allowance. At the Industry level, out of the units paying a separate dearness allowance, about 37 per cent. were paying it according to income slabs and about 26 per cent. on flat rates. In about 13 per cent. of the factories (all located in the Residual Group), separate dearness allowance was paid at the discretion of the management while in about 24 per cent. it was according to a combination of one or more of the different systems. For example in one of the large units in the Residual Group, the professional, managerial and clerical workers were paid dearness allowance on the basis of income slabs but the dearness allowance of watch and ward and other workers who were getting wages up to Rs. 150 per month was linked with the Working Class Consumer Price Index Number for Kanpur (Base August, 1939=100). Similarly, another small factory in the Residual Group was paying dearness allowance at a flat rate of Rs. 20.50 per month to its low paid watch and ward workers while for other categories, the dearness allowance was based on income slabs.

### 3.3. *Production/Incentive Bonus*

The results of the present Survey reveal that only about 12 per cent. of the Paper and Paper Products factories in the country, comprising about 46 per cent. of large and about 6 per cent. of small units, had introduced schemes for the payment of production/incentive bonus to their employees. About 11 per cent. of the factories in West Bengal and 12 per cent. in the Residual Group were paying production/incentive bonus. Generally, this bonus was admissible to production workers where production exceeded some prefixed norms which differed from factory to factory and sometimes even within the same factory from department to department. The rates of payment also differed accordingly. For example, in one large factory in the Residual Group, each process worker was entitled to production/incentive bonus at the rate of 3 paise per extra ton of bamboo chips produced during a shift provided the production exceeded 50 tons of chips by a group of 50 workers. In another factory in West Bengal, production bonus was paid to the workers when the daily average production of paper exceeded 4 tons and the individual payment of bonus was made in direct proportion to the actual basic earnings plus dearness allowance and ration allowance of each individual according to a fixed formula.

### 3.4. *Night Shift Allowance*

The Survey has revealed that night shift allowance was being paid in about 5 per cent. of the Paper and Paper Products factories in the country, comprising 2 large factories in West Bengal and 2 small factories in the Residual Group. In the factories located in West Bengal, only the production workers were entitled to this allowance at the rate of 19 paise per night shift in one factory and 20 per cent. of the gross earnings in the other. In the Residual Group, one of the factories paid this allowance to its production workers working in the night shift at the rate of 50 per cent. of their daily wages while in the other factory, all the workers working in the night shift were paid night shift allowance at a rate varying from one-eighth to one-twelfth of the daily wages,

### 3.5. *House Rent Allowance*

It was observed during the Survey that house rent allowance was being paid to workers in about 11 per cent. of the factories in the Industry, comprising almost an equal proportion of the units in West Bengal and the Residual Group. As between large and small factories, the percentage of units paying house rent allowance was about 51 in the former and 4 in the latter. Generally, house rent allowance was paid to all those workers who were not provided with residential accommodation by the factory, but, in a few factories, only certain specified categories of workers (e.g., production and watch and ward staff only; manager and Chief Engineer only or all workers below the cadre of General Foreman) were entitled to this allowance. The rates of house rent allowance differed from unit to unit and within the unit among the different categories of workers, but broadly these ranged between Rs. 2 and Rs. 10 per month.

### 3.6. *Transport/Conveyance Allowance*

None of the Paper and Paper Products factories covered during the Survey were paying transport/conveyance allowance to their workers.

### 3.7. *Other Cash Allowances*

A few factories paid certain other allowances to the selected categories of workers. These were relief allowance varying between Rs. 25 and Rs. 37.50 per month to all workers drawing up to Rs. 300 per month as basic pay in one of the large factories in the Residual Group; ration allowance (Rs. 1.78 per day for production and watch and ward workers and Rs. 49 per month for professional personnel) in one large factory in West Bengal; special allowance of Rs. 8 per month to all workers getting up to Rs. 500 per month as basic pay in one large factory in the Residual Group and overtime allowance at 15 per cent. of gross salary to professional and technical personnel in one large factory in West Bengal. One of the large factories surveyed in the Residual Group was found to be paying a food grains subsidy ranging between Rs. 8 and Rs. 10 per month to those of its production, watch and ward and clerical employees, who had entered the service prior to April, 1953.

### 3.8. *Attendance Bonus*

The Survey has revealed that attendance bonus was being paid in about 9 per cent. of the Paper and Paper Products factories in the country, comprising about 23 per cent. of large and 6 per cent. of small factories. As among different centres, about 16 per cent. of the factories in West Bengal and nearly 7 per cent. in the Residual Group were paying this bonus to their employees. Generally, all production and watch and ward workers were entitled to receive attendance bonus for punctual and regular attendance at rates varying from Rs. 7 to Rs. 9 per month provided they were not absent for more than two days in a month. A few factories in the Residual Group were found to be paying attendance bonus to all workers at rates varying from 5 to 6 per cent. of the basic wages for regular attendance.

One of the small factories surveyed in the Residual Group was paying special *ex-gratia* prizes to its daily-rated workers for maximum attendance in a month and a year. The prize was equivalent to one day's wage if the worker attended the factory punctually on all working days of a calendar month. In addition, two annual prizes of Rs. 50 and Rs. 25 each were awarded to workers who had maximum attendance during the year and worker/workers who had next best attendance during the year respectively.

### 3.9. *Bonuses*

The Labour Investigation Committee had reported that during 1944-45, except for the units in Bengal and the paper mill in Rajahmundry, the others were paying a profit bonus equivalent to one or two months' wages. The position as revealed by the present Survey is discussed below.

#### 3.9.1. *Annual Bonus*

The practice of paying annual or year-end bonus was found to be in existence in about 16 per cent. of the Paper and Paper Products factories in the country, comprising about 85 per cent. of large and 40 per cent. of the small units. As regards different centres, the proportion of factories paying annual bonus in West Bengal and Residual Group was about 21 and 52 per cent. respectively. Regular schemes for the purpose existed in about 23 per cent. of the units paying bonus.

In most of the units paying annual bonus, all categories of workers were entitled to receive the bonus while in a few it was paid to permanent workers only, normally, the condition for eligibility to bonus related to some prefixed period of service which ranged between one week and 240 days. In some of the units, there was no such condition. The rate of payment differed from unit to unit—the least being 15 days' consolidated wages and the maximum being 5 months' basic wages. The Survey has further revealed that in about 35 per cent. of the units paying annual bonus, the payment of bonus was based on voluntary agreements between the workers and the managements while in the remaining 65 per cent. bonus was paid at the discretion of the managements. The mode of payment was cash in all the units excepting one small factory in the Residual Group where the amount of bonus was paid partly in cash and partly in Defence Savings Certificates.



### 3.9.2. *Festival Bonus*

The system of paying festival bonus was in existence in about 19 per cent. of the Paper and Paper Products factories in the country, comprising about 53 per cent. of the factories in West Bengal and about 11 per cent. in the Residual Group. It is significant to note that none of the large factories surveyed were paying festival bonus. This bonus was being paid regularly in about 55 per cent. of the factories and on an irregular basis in the rest. In all the units paying festival bonus, the payment was entirely at the discretion of the management. Excepting one factory in the Residual Group where only the production workers were entitled to this bonus, all other factories were paying festival bonus to all categories of workers. Generally, the qualifying service for festival bonus was six months' to one year's service. The rate of payment varied from unit to unit but generally it ranged between 15 days' consolidated wages and 4 months' basic pay. The bonus was being paid in cash in all the factories.

### 3.9.3. *Profit-sharing Bonus*

During the course of the Survey, only one small factory in the Residual Group was found to be paying profit-sharing bonus\* to its workers. This factory was distributing 35 per cent. of its profits to all those workers who worked for at least 120 days during the financial year in direct proportion to the days worked by the individual workers irrespective of their wages. The mode of payment was cash.

### 3.10. *Fines and Deductions*

The present Survey has shown that the practice of imposing fines on workers for certain acts of commission or omission existed in only one large factory in the Residual Group. The list showing acts of commission or omission for which fines could be imposed was approved by the concerned authority and was duly exhibited. The amount of fines was within the prescribed limits. The factory maintained a Fines Fund which was used for the welfare of the workers.

Deductions, wherever made, were generally in conformity with the provisions of the Payment of Wages Act, 1936, as the percentage of units where it was not in conformity with the Act was only 2.

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\*The term 'profit sharing bonus' has been defined as "an arrangement under which an employer, in accordance with an agreement freely entered into, hands over to his work people as supplementary remuneration a share, fixed in advance, of the profits of the concern in which they are engaged".

## CHAPTER IV

### WORKING CONDITIONS

Working conditions obtaining in factories in India have all along attracted the attention of the Government of India as well as the State Governments. As a result, significant improvements in the conditions of work owe a great deal to the legislative enactments, particularly, the Factories Act, 1948. The following paragraphs describe the state of working conditions in Paper and Paper Products factories in India as observed at the time of the Survey.

#### 4.1. *Shifts*

According to the Labour Investigation Committee, all the units in 1944-45 were working three continuous shifts for process workers and, in addition, one or two general shifts. The present Survey has shown that about 59 per cent. of the Paper and Paper Products factories in the country were working single shift. The practice of working two and three shifts was reported in about 11 and 30 per cent. of the factories respectively. All large factories and about one-fifth of the small factories had 3 shifts a day. Details appear in Statement 4.1.

#### STATEMENT 4.1

*Estimated Percentage Distribution of Factories according to Number of Shifts  
(1965-66)*

Centre				Number of Factories	Estimated Percentage of Factories having			Percentage of Factories having Night shift
					One shift	Two shifts	Three shifts	
1				2	3	4	5	6
1. West Bengal	..	..	..	57	42·1	31·6	26·3	36·8
(a) Large Factories	..	..	..	9	—	—	100·0	100·0
(b) Small Factories	..	..	..	48	50·0	37·5	12·5	25·0
2. Residual	..	..	..	235	63·2	6·3	30·5	32·6
(a) Large Factories	..	..	..	32	—	—	100·0	100·0
(b) Small Factories	..	..	..	203	73·2	7·3	19·5	22·0
3. All-India	..	..	..	292	59·1	11·2	29·7	33·4
(a) Large Factories	..	..	..	41	—	—	100·0	100·0
(b) Small Factories	..	..	..	251	68·7	13·1	18·2	22·5

It was noticed that about one-third of the factories, comprising all large and about 23 per cent. of small factories, were working night shifts\*. In about three-fourths of the factories having night shifts, no amenity was provided to night shift workers, while the remaining one-fourth factories were giving shift allowance or free tea to the workers. It was also observed that in one of the small factories in the Residual Group, the hours of work for night shifts workers were 7 instead of 8 for the day-shift workers. As regards the practice of change-over from night shift to day shift and *vice-versa*, the Survey revealed that there was no regular system of change-over in about 9 per cent. of the factories having night shifts while, in others, the change-over was made after a week (about 65 per cent.), fortnight (about 15 per cent.) and month (about, 17 per cent.). In the remaining one large factory in the Residual Group constituting 3 per cent. of the factories at the Industry level, the change-over was made after 4 days.

#### 4.2. Hours of Work

The Labour Investigation Committee had reported that "For the continuous process shifts, the hours of work vary from  $7\frac{1}{2}$  to 8 each, while in the general shift, the working hours are 9 or 10 with a spread-over of 10 to 13 hours". Since the passing of the Factories Act, 1948, the hours of work for adult workers have been fixed at a maximum of 48 per week and 9 per day with a maximum spread-over of  $10\frac{1}{2}$  hours inclusive of rest interval. The Chief Inspectors of Factories have been empowered to grant exemption from the above limit of daily hours of work in order to facilitate the change over in any factory. The data collected during the present Survey show that about 96 per cent. of the Paper and Paper Products factories worked 'more than 7 and up to 8 hours' in day-shift and about 2 per cent. 'more than 8 and up to  $8\frac{1}{2}$  hours'. The rest of the factories (*i.e.*, about 2 per cent.) had no fixed hours of work. Details appear in Statement 4.2.

STATEMENT 4.2  
*Daily Hours of Work*  
(1965-66)

Centre	Number of Facto-	Estimated Percentage of Factories Where Hours of Work for Majority of Adult Workers in Day Shift Were			
		More than 7 and up to $7\frac{1}{2}$ hours	More than $7\frac{1}{2}$ and up to 8 hours	More than 8 and up to $8\frac{1}{2}$ hours	Not fixed
1	2	3	4	5	6
1. West Bengal .. ..	57	31.6	57.9	10.5	—
(a) Large Factories .. ..	9	66.7	33.3	—	—
(b) Small Factories .. ..	48	25.0	62.5	12.5	—
2. Residual .. ..	235	13.3	84.6	—	2.1
(a) Large Factories .. ..	32	20.0	80.0	—	—
(b) Small Factories .. ..	203	12.2	85.4	—	2.4
3. All-India .. ..	292	16.8	79.4	2.1	1.7
(a) Large Factories .. ..	41	30.2	69.8	—	—
(b) Small Factories .. ..	251	14.6	81.0	2.4	2.0

\*For the purposes of the Survey, a night shift was treated as the one whose majority of working hours fell between 10 P.M. and 6 A.M.

The weekly hours of work did not exceed 48 in about 98 per cent. of the factories and in the remaining 2 per cent., they were not fixed.

The practice prevailing at the time of the Survey in respect of spread-over and rest-interval appear in Statement 4.3.

#### STATEMENT 4.3

#### *Estimated Percentage Distribution of Factories According to Duration of Spread-over and Rest-interval etc.* (1965-66)

Centre	Number of Factories	Percentage of Factories Where Spread-over was					Percentage of Factories where Rest-interval was						
		More than 7½ and up to 8 hours	More than 8 and up to 8½ hours	More than 8½ and up to 9 hours	More than 9 and up to 9½ hours	More than 9½ and up to 10 hours	No Rest Interval	½ hour and less	More than 1 and up to 1 hour	More than 1 and up to 1½ hours	More than 1½ and up to 2 hours	Not fixed	
1	2	3	4	5	6	7	8	9	10	11	12	13	
West Bengal ..	57	31.6	21.0	47.4	—	—	—	63.2	36.8	—	—	—	
(a) Large Fac- tories ..	9	66.7	—	33.3	—	—	—	66.7	33.3	—	—	—	
(b) Small Fac- tories ..	48	25.0	25.0	50.0	—	—	—	62.5	37.5	—	—	—	
2. Residual ..	235	25.6	10.6	51.9	3.5	8.4	12.4	23.8	51.9	3.5	6.3	2.1	
(a) Large Fac- tories ..	32	80.0	—	10.0	10.0	—	60.0	20.0	10.0	10.0	—	—	
(b) Small Fac- tories ..	203	17.1	12.2	58.5	2.4	9.8	4.9	24.4	58.5	2.5	7.3	2.4	
3. All-India ..	292	26.8	12.6	51.0	2.8	6.8	9.9	31.5	49.0	2.8	5.1	1.7	
(a) Large Fac- tories ..	1	77.1	—	15.1	7.8	—	46.8	30.3	15.1	7.8	—	—	
(b) Small Fac- tories ..	251	18.6	14.6	56.9	2.0	7.9	3.9	31.7	54.5	2.0	5.9	2.0	

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It is apparent from Statement 4.3 that nowhere the spread-over exceeded 10 hours. In fact, in about half the factories, the spread-over was 'more than  $8\frac{1}{2}$  and up to 9 hours'. So far as rest interval is concerned, with the exception of about 12 per cent. of the factories where there was either no rest-interval or the same was not fixed, all others were allowing some rest-interval varying from less than half an hour to two hours.

There was only one small factory in the Residual Group, which was employing a few children. In this factory, the daily hours of work for children were 7 with a spreadover of  $8\frac{1}{2}$  hours. The weekly hours of work for children in this factory stood at 42 as against 48 for adult workers.

As regards contract labour, it was observed that about 35 per cent. of the Paper and Paper Products factories employing contract labour worked 'more than 7 and up to  $7\frac{1}{2}$  hours' and the rest (i.e., about 65 per cent.) worked 'more than  $7\frac{1}{2}$  and up to 8 hours'. About one-fifth of the factories employing contract labour did not allow any rest interval to such workers. In the remaining four-fifths of the factories, the workers enjoyed rest interval for one hour or less.

It was further observed that the prescribed timings of work were being observed strictly in all the factories surveyed.

#### 4.3. *Dust and Fumes*

The Survey results show that processes giving off considerable dust such as chipping of bamboos and feeding the furnace with coal were noticed in about 14 per cent. of the Paper and Paper Products factories in the country. All such factories had adopted some precautionary measures to safeguard workers against dust-hazard. These measures were usually in the form of provision of local or general exhaust system or isolation of dusty processes from others. A few factories were also using wet method for dust suppression. Protective equipment like dust masks had been provided in about 52 per cent. of the factories having dusty processes. In two large factories in the Residual Group, workers were using cloth round their mouth.

As regards fumes, about 13 per cent. of the Paper and Paper Products factories in the country were reportedly having processes such as burning of lime and manufacture of chlorine which gave off fumes. It was observed that all such factories had adopted some protective measures like provision of local or general exhaust or isolation of fume giving processes. About 52 per cent. of the factories had provided some protective equipment like gas masks to their workers.

#### 4.4. *Seating Arrangements*

Under the Factories Act, 1948, it is obligatory on the part of the managements to make suitable arrangements for sitting for all such workers as are obliged to work in a standing position so that they may take advantage of any opportunity for rest which may occur in the course of the work. This aspect was enquired into during the course of the present Survey and it was found that the percentage of Paper and Paper Products factories where workers were obliged

to work in a standing position stood at about 88 which included all factories in West Bengal and about 85 per cent. of the factories in the Residual Group. Of these, about 68 per cent. of the factories in West Bengal and 81 per cent. in the Residual Group or nearly 78 per cent. of the factories in the country had provided seating arrangements for their workers. In about 82 per cent. of the factories providing seating arrangements, the facility existed for all workers who were obliged to work in a standing position whereas the remaining factories (i.e., about 18 per cent.) had provided seating arrangements for a few such workers only. The managements of the defaulting factories stated that provision of seating arrangements would impair the efficiency and hamper the progress of work.

#### 4.5. *Consevrancy*

The Factories Act, 1948, has made it obligatory for every factory to maintain an adequate number of latrines and urinals for the use of workers, laying down specifically the standard of such arrangements. The present Survey has revealed that about 93 per cent. of the Paper and Paper Products factories in the country had provided latrines for their workers. Latrines had been provided in all large factories as against 92 per cent. of the small factories. The facility existed in about 89 per cent. of the factories in West Bengal and in nearly 94 per cent. of the units in the Residual Group. About 13 per cent. of the factories had water borne sewer type latrines, about 17 per cent. water borne septic tanks, about 12 per cent. dry type bore holes, about 21 per cent. dry type pans, about 4 per cent. dry type without pans and the remaining (i.e., about 3 per cent.) had provided more than one type of latrines. Permanent latrines had been constructed by the managements of about 96 per cent. of the factories having latrines. In the rest (i.e., in about 4 per cent.), they were of temporary construction. The floors of latrines were reported to be impervious in about 92 per cent. of the factories. The latrine walls had been plastered in about 65 per cent. of the factories and tarred in about 32 per cent. In about 1 per cent. of the factories, the latrine walls were both plastered and tarred whereas in the remaining factories (i.e., about 2 per cent.), they were neither plastered nor tarred. As required under the Act, water taps were provided in or near the latrines in as many as about 83 per cent. of the factories providing the facilities. Proper screening arrangements to ensure privacy existed in about 96 per cent. of the factories having latrines. Out of the factories providing latrines and employing women, separate arrangements for them existed in about 71 per cent. of the units. It was noticed that about 73 per cent. of the factories in the country had an adequate number of latrines as judged from the requirement of the law.

Urinals, in addition to latrines, had been provided in about 57 per cent. of the Paper and Paper Products factories in the country. The position was almost the same in both the centres. As between large and small units, urinals had been provided by 92 per cent. of the former and 51 per cent. of the latter. About 43 per cent. of the factories providing urinals had employed women and all of them had provided separate arrangements for them. The percentage of factories where urinals were properly screened stood at about 91. The floors of urinals were impervious in about 90 per cent. of the factories providing the

facility. The walls of the urinals were plastered in about 64 per cent. of the factories and tarred in about 31 per cent. In about 2 per cent. of the factories, the urinal walls were both plastered and tarred whereas in the remaining factories (i.e., about 3 per cent.), they were neither plastered nor tarred. Permanent urinals had been constructed by the managements of about 94 per cent. of the factories. In the rest (i.e., about 6 per cent.), they were of temporary construction. The number of urinals was adequate in about 81 per cent. of the factories.

#### 4.6. *Leave and Holidays with Pay*

The Factories Act, 1948 provides that every worker who has completed a period of 240 days' continuous service in a factory should be allowed, during the subsequent period of twelve months, leave with wages for a number of days calculated at the prescribed rate. Apart from the annual leave, all other types of leave have come into vogue as a result of voluntary decisions of managements, agreements between the employers and the employees or under some adjudication awards. Some of the State Governments have also passed laws for the grant of paid national and festival holidays to persons employed in industrial establishments. Statement 4.4 shows the different types of leave and holidays with pay which the workers in the Paper and Paper Products factories were enjoying at the time of the Survey.

#### STATEMENT 4.4

#### *Estimated Percentage of Factories Granting Various Types of Leave and Holidays with Pay (1965-66)*

Centre				Number of Factories	Percentage of Factories Granting			
					Earned Leave	Casual Leave	Sick Leave	National and Festival Holidays
1				2	3	4	5	6
1. West Bengal	..	..	57	100.0	15.8	10.5	100.0	
(a) Large Factories	..	..	9	100.0	100.0	66.7	100.0	
(b) Small Factories	..	..	48	100.0	—	—	100.0	
2. Residual	..	..	235	91.6	43.9	21.4	100.0	
(a) Large Factories	..	..	32	100.0	90.0	80.0	100.0	
(b) Small Factories	..	..	203	90.2	36.6	12.2	100.0	
3. All-India	..	..	292	93.5	38.4	19.3	100.0	
(a) Large Factories	..	..	41	100.0	92.2	77.1	100.0	
(b) Small Factories	..	..	251	92.1	29.6	9.9	100.0	

#### 4·6·1. *Earned Leave*

According to the Labour Investigation Committee, during 1944-45, some of the factories visited by them in Bengal, Bihar, Punjab and Mysore were allowing one or two week's earned/privilege leave with pay to mostly permanent employees. Since the passing of the Factories Act, 1948, it has now become a legal obligation on the managements of industrial establishments. It is estimated on the basis of the present Survey that about 93 per cent. of the Paper and Paper Products factories in the country were granting earned leave with pay to their employees. All the factories surveyed in West Bengal were granting earned leave with pay to their employees as against 92 per cent. in the Residual Group. As regards the period of leave, qualifying conditions and rate of payment, for the workers covered under the Factories Act, generally the provisions of the Act were followed by the managements. In other cases, the facility was restricted to certain categories of workers e.g., monthly-rated workers, permanent workers, etc.

In order to assess the extent to which the workers had actually enjoyed the benefit, data were collected in respect of the number of workers who were granted earned leave during the calendar year 1964 and the extent of leave actually availed by them. The findings appear in Statement 4.5.

The Statement (4·5) shows that about 80 per cent. of the workers in the Industry availed themselves of earned leave with pay during 1964. The percentage of such workers was higher in the Residual Group (83 per cent.) than that in West Bengal (about 71 per cent.). As regards the period of leave availed of, the Statement shows that, in the Industry, as a whole, comparatively more workers availed themselves of leave for a period of 'over 10 and up to 15 days' This was also the position in both the strata.

#### 4·6·2. *Casual Leave*

During 1944-45, very few factories visited by the Labour Investigation Committee were allowing some casual leave to their employees. These factories were located in Bengal and Madras. It was observed during the present Survey that about 38 per cent. of the Paper and Paper Products factories in the country were allowing casual leave with pay to their employees. It would appear from Statement 4·4 that the percentage of factories granting casual leave in the Residual Group was higher (about 44 per cent.) than that in West Bengal (about 16 per cent.). All large factories and none of the small factories in West Bengal were granting casual leave to the workers. Generally, casual leave was allowed to all workers while in some of the factories it was restricted to particular types of workers like clerical, professional and technical personnel. In about 65 per cent. of the factories granting casual leave, the workers were entitled to casual leave up to 10 days in a year and in about 31 per cent. for 11 to 15 days. In the remaining one factory (comprising about 4 per cent. of the factories in the country), permanent professional, managerial and clerical workers were granted one day's casual leave for every 30 days worked whereas temporary workers of these categories were entitled to one day's casual leave for every 50 days worked. Production and watch and ward employees who were permanent were given 4 days' casual leave in a year. In all the factories, the workers were paid at full rates for the period of casual leave.



STATEMENT 4.5.

*Estimated Number of Workers Granted Earned Leave with Pay (During 1964)*

Centre	Average Daily Number of Workers Employed	Number of Workers Who Employed Leave	Percentage of Workers Who Employed Leave to the Total Employed	Percentage Distribution of Workers who Employed Leave						
				Up to 5 Days	Over 5 and up to 10 Days	Over 10 and up to 15 Days	Over 15 and up to 20 Days	Over 20 and up to 25 Days	Over 25 and up to 30 Days	Over 30 Days
1	2	3	4	5	6	7	8	9	10	11
1. West Bengal	..	12,794	9,032	70.6	3.8	8.4	50.9	5.9	14.1	4.8
(a) Large Factories	..	9,482	7,071	74.6	3.2	8.0	46.1	5.1	17.1	5.6
(b) Small Factories	..	3,312	1,961	59.2	5.8	9.7	68.2	8.6	3.5	2.1
2. Residual ..	..	36,379	30,214	83.0	4.4	11.3	30.2	28.6	9.5	8.2
(a) Large Factories	..	28,093	25,273	90.0	3.9	9.8	27.6	31.9	10.3	8.8
(b) Small Factories	..	8,286	4,941	59.6	6.8	18.8	43.5	11.8	5.8	5.3
3. All-India ..	..	49,173	39,246	79.8	4.2	10.6	35.0	23.4	10.6	7.4
(a) Large Factories	..	37,575	32,344	86.1	3.7	9.4	31.6	26.1	11.8	8.1
(b) Small Factories	..	11,598	6,902	59.5	6.6	16.2	50.5	10.8	5.2	4.4

#### 4.6.3. *Sick Leave*

The practice of allowing sick leave with pay was in vogue in most of the paper factories visited by the Labour Investigation Committee during 1944-45. The leave allowed was generally a week or two in a year. With the coming into force of the Employees' State Insurance Scheme, the benefit of sick leave with wages is ordinarily available to the employees covered under the said Scheme. During the present Survey, information regarding sick leave was collected from those units only where the facility was being granted by the managements, irrespective of the fact whether they were covered under the Employees' State Insurance Scheme or not. It is estimated that in about 19 per cent. of the Paper and Paper Products factories in the country, workers were enjoying the facility of sick leave with pay (vide Statement 4.4). None of the small factories covered in West Bengal granted any sick leave to the employees.

The most common condition for entitlement of sick leave, wherever granted was completion of one year's service. In about 56 per cent. of the factories, allowing sick leave, the period of leave was up to 10 days in a year; in about 20 per cent., it varied from 11 to 15 days and in about 6 per cent., it was 16 days and above. About 9 per cent. of the factories were granting sick leave limited to 120 days in the entire service while the remaining 9 per cent. factories had not fixed any limit and sick leave was allowed entirely at the discretion of the management. As regards payment for the period of leave, in about 77 per cent. of the factories, the workers were paid at full rates and in about 17 per cent., they were paid at half the rates. In the remaining about 6 per cent. of the factories, the workers were paid the difference between full wages and the Employees' State Insurance Corporation's contribution.

#### 4.6.4. *National and Festival Holidays*

During 1944-45, only two factories (one in Madras and the other in Mysore) were allowing 10 and 2 holidays in a year respectively. According to the present Survey, the practice of granting national and/or festival holidays with pay was universal in the Industry. In about 20 per cent. of the factories, the number of such holidays was up to 5 in a year; in about 32 per cent. of the factories from 6 to 10; in about 35 per cent. of the factories from 11 to 15 and in the remaining factories (i.e., about 13 per cent.), the number was 16 and above. In a majority of the factories, this benefit was available to all workers. The most common condition for claiming payment for these holidays was presence on the preceding or the succeeding day. In all the factories, the workers were paid at full rates for the holidays.

#### 4.6.5. *Weekly Offs*

The Labour Investigation Committee had reported that in 1944-45, Sunday was generally a close day for workers in the general shifts, while the workers in the continuous shifts got 32 hours rest after 8 to 12 days' work. It was observed during the present Survey that all the Paper and Paper Products factories surveyed in the country were complying with the provision of the Factories Act regarding grant of a weekly day of rest to workers. About 88 per cent. of the factories were allowing weekly off with pay to the monthly-rated staff only.

## CHAPTER V

### WELFARE AND AMENITIES

The human approach to the problems of industrial labour has been increasingly in evidence in all countries, including India, for the last few decades. Various Committees and Commissions appointed in India, from time to time, for enquiring into the condition of industrial labour, have never failed to pin-point the urgency and utility of ameliorative measures in order to promote the welfare of workers. Government legislation has been quick in response and the various enactments passed thereby have gone a long way in improving the lot of the working class. Besides facilities provided in compliance to the law, there are many items of welfare which some of the employers have voluntarily undertaken for the benefit of their employees. Apart from humanitarian considerations, the importance of the provision of welfare amenities has been increasingly recognised from the point of view of preservation of the efficiency of the workers which, in turn, contributes to higher productivity.

During the present Survey, an attempt was made to assess the extent of welfare amenities enjoyed by workers in the Paper and Paper Products factories in the country. The information collected in respect of both obligatory and non-obligatory welfare facilities is presented in the following paragraphs.

#### 5.1. *Drinking Water Facilities*

Suitable arrangements for the supply of drinking water were found to be existing in about 98 per cent. of the units surveyed. The defaulting establishments were small units in the Residual Group. The type of facilities provided varied widely but the most common arrangements were water taps and earthen pitchers. Details appear in Statement 5.1 on page 33.

The Factories Act, 1948, prohibits the location of any drinking water point within 20 feet of latrines, urinals and washing places. The Survey has shown that about 27 per cent. of the factories in the country had not complied with this provision of the law. The Factories Act also provides that every factory employing more than 250 workers should supply drinking water cooled by ice or other effective method during the summer months. It is estimated that about 13 per cent. of the Paper and Paper Products factories in the country, all of them being large, were under such a statutory obligation and that about 66 per cent. of them had fulfilled their obligation. All the defaulting establishments were in the Residual Group. However, in actual practice, about 72 per cent. of the Paper and Paper Products factories in the country (*vide* Statement 5.1) were making special arrangements for supplying cool drinking water during summer as a few other factories had made the arrangements voluntarily.

## STATEMENT 5.1

*Drinking Water Facilities (1965-66).*

Centre	Number of Factories	Estimated Percentage of Factories Where Drinking Water Facility Existed	Estimated Percentage of Factories where Water was Supplied Through							Estimated Percentage of Factories Making Arrangements for Supply of Cool water in Summer
			Water Taps	Tube Wells only	Earthen Pitchers only	Buckets or Drums	Combination of one or more viz., earthen pitchers, water taps, etc.	Others		
1	2	3	4	5	6	7	8	9	10	
1. West Bengal ..	57	100.0	52.6	21.1	—	—	26.3	—	47.4	
(a) Large Factories ..	9	100.0	66.7	—	—	—	33.3	—	100.0	
(b) Small Factories ..	48	100.0	50.0	25.0	—	—	25.0	—	37.5	
2. Residual ..	235	97.9	23.5	—	30.8	5.7	38.6	1.4	77.8	
(a) Large Factories ..	32	100.0	30.0	—	20.0	10.0	30.0	10.0	80.0	
(b) Small Factories ..	203	97.6	22.5	—	32.5	5.0	40.0	—	77.5	
3. All-India ..	292	98.3	29.3	4.2	24.6	4.6	36.2	1.1	71.8	
(a) Large Factories ..	41	100.0	38.1	—	15.6	7.8	30.7	7.8	84.4	
(b) Small Factories ..	251	98.0	27.9	4.9	26.1	4.0	37.1	—	67.7	

### 5.2. *Washing Facilities*

The Factories Act, 1948, provides that adequate and suitable facilities for washing should be provided and maintained for the use of workers in every factory. It was observed during the Survey that about 79 per cent. of the Paper and Paper Products factories in the country, comprising nearly 93 per cent. of the large and 77 per cent. of the small units, had provided washing facilities. All the large factories and about 83 per cent. of the small factories in the Residual Group had made such arrangements as against 67 and 50 per cent. of the factories respectively in West Bengal. The percentage of Paper and Paper Products factories having made such arrangements in West Bengal and the Residual Group was 53 and 85 respectively. The facilities were easily accessible in about 94 per cent. of the factories providing them.

Taps on stand pipes was the predominant arrangement as it was found to exist in about 45 per cent. of the factories providing washing facilities. The other arrangements were water stored in receptacles (in about 21 per cent. of the factories), wash basins with taps (in about 17 per cent. of the factories), tube wells (in about 3 per cent. of the factories) and troughs with taps or jets only (in about 1 per cent. of the factories). In the remaining factories (i.e., about 13 per cent.) more than one type of the facility mentioned above were available. The Survey has also revealed that some cleansing material like soap, washing soda, towels and kerosene oil was being supplied to workers in about 77 per cent. of the Paper and Paper Products factories providing washing facilities.

Of the factories providing washing facilities and employing women, about 42 per cent. had made separate washing arrangements for the use of women workers. In about 86 per cent. of the factories providing separate washing facilities for women, the washing places were properly screened.

### 5.3. *Bathing Facilities*

The Factories Act, 1948, does not contain any specific provision relating to bathing facilities but it authorises State Governments to make rules requiring certain type of factories to provide such facilities for certain categories of employees.

It was found during the course of the Survey that about 31 per cent. of the factories in the Paper and Paper Products Industry (comprising about 37 per cent. of the factories in the West Bengal and about 29 per cent. in the Residual Group) were providing bathing facilities. The facility existed in about 69 per cent. of the large factories as against 25 per cent. of the small unit. Of the factories employing women and providing bathing facilities, about 39 per cent. had provided separate bath rooms for women. The bath rooms were generally reported to be clean in all the factories.

### 5.4. *Canteens*

In spite of the fact that, in 1944-45, there was no law regulating the establishment of canteens, the Labour Investigation Committee had found that canteens were being run in most of the paper mills visited by them. However the Factories Act, 1948, empowers the State Governments to make rules requiring that in any specified factory wherein more than 250 workers are ordinarily employed, a canteen or canteens, according to the prescribed standards, should be provided for the use of the workers.

The Survey results show that about 13 per cent. of the factories in the Industry, all of them being large, were under a statutory obligation to provide canteens. Of these, about 83 per cent. of the factories in the country had fulfilled their obligation. The compliance with law was cent per cent. in West Bengal and about 78 per cent. in the Residual Group. In addition, about 7 per cent. of the factories in the Residual Group had provided canteens voluntarily. Thus, in the Industry, as a whole, canteens were functioning in about 16 per cent. of the units.

In about 24 per cent. of the factories having canteens, only tea, coffee and snacks were sold and in another about 38 per cent., the canteens served meals also. In the rest of the factories (*i.e.*, about 38 per cent.), the canteens served cold drinks, *pan*, *bidi*, milk, etc., in addition to the above mentioned items. About 58 per cent. of the canteens were being run by the managements and the rest by contractors. Canteen Managing Committees existed in about 51 per cent. of the factories having canteens and these committees were also responsible for fixing the prices of articles sold in the canteens. Of the remaining factories, prices were fixed by the managements themselves in about 14 per cent. of the units and by the contractors in the remaining 35 per cent. The price lists of various items sold, duly approved by the Canteen Managing Committees were displayed in about 48 per cent. of the factories having such Committees. About 35 per cent. of the factories having canteens were selling articles at subsidised rates, 51 per cent. at a 'no-profit, no-loss' basis and the remaining factories (*i.e.*, 14 per cent.) charged market rates. About 79 per cent. of the factories having canteens were giving subsidies to canteens, regularly or occasionally, to meet losses and/or to sell articles at cheap rates.

Of the total estimated number of workers employed in the Paper and Paper Products factories having canteens, 42 per cent. (comprising 47 per cent. in West Bengal and 40 per cent. in the Residual Group) were estimated to be visiting the canteens daily.

The location of the canteens in all the factories was reported to be either good or very good. As regards hygienic conditions of canteens, they were bad in about 14 per cent. of the factories, all of which were large units located in the Residual Group.

### 5.5. *Creches*

Probably due to the fact that the paper industry does not employ a sizeable number of women, the Labour Investigation Committee had made no mention of the existence of creche facilities in any of the factories surveyed by them, except by one unit in Bombay. Under the Factories Act, 1948, it is obligatory for all factories employing more than 50 women workers to maintain a creche of prescribed standard. It was observed during the Survey that only 2 large factories in the Residual Group, constituting about 2 per cent. of the factories in the Industry as a whole, were under a statutory obligation to provide creches and that only one of them had fulfilled its obligation. Except that the creche was situated in congenial surroundings and was maintained in a clean and tidy condition, it did not conform to other requirements of law in regard to standard of building, lighting, ventilation, furniture, etc., Children attending the

creche were provided with milk and towels. The staff appointed for the creche comprised 2 *ayahs* only. The creche facilities were also available to children of women employed by contractors. The reason adduced by the management of the other factory which had not complied with the law was that all the women workers were old and, consequently, the need for the provision of a creche was not felt. None of the other factories employing women had provided creches voluntarily.

#### 5.6. *Lockers*

Locker facilities for keeping clothings of the workers were found to exist in about 6 per cent. of the factories in the Industry, as a whole, comprising about 16 per cent. of the units in West Bengal and nearly 3 per cent. in the Residual Group.

#### 5.7. *Rest Shelters*

The existence of rest shelters for the workers was reported by the Labour Investigation Committee in one or two units only. The Factories Act, 1948, lays down that in every factory wherein more than 150 workers are ordinarily employed, adequate and suitable shelters or rest rooms should be provided and maintained for the use of workers. However, if the factory is maintaining a canteen of the prescribed standard, the provision of a separate rest shelter is not binding.

The present Survey has shown that in the Paper and Paper Products Industry, about 23 per cent. of the large factories and nearly 6 per cent. of the small factories or about 8 per cent. of the factories in the Industry, as a whole, were statutorily obliged to provide rest shelters as each of them employed more than 150 workers and did not have a canteen. Of these factories, only about 39 per cent. (comprising large factories only) had complied with the law. In addition, about 4 per cent. of the units consisting of about 16 per cent. of large and 2 per cent. of small units) had voluntarily provided rest shelters. Thus, in the Industry, as a whole, rest shelters existed in about 7 per cent. of the factories, comprising about 39 per cent. of large and 2 per cent. of small factories. All these factories were located in the Residual Group. In West Bengal, none of the units had provided separate rest shelters because all those units which employed more than 150 workers had provided canteens of prescribed standard.

In nearly 61 per cent. of the factories having rest shelters, the buildings of the rest shelters did not conform to the prescribed standard and, in about 31 per cent. of the factories, the rest shelters did not provide adequate protection from weather and were not properly ventilated and furnished. All these defects were noticed in the rest shelters maintained in large factories alone. The rest shelters were, however, cool, maintained in a tidy condition, had drinking water facility and were sufficiently lighted in about 54 per cent. of the units.

#### 5.8. *Recreation Facilities*

Commenting on recreation facilities in the Paper Mills, the Labour Investigation Committee had observed and recreation facilities were provided to a limited extent although some units had made adequate provisions for indoor

as well as outdoor games. The results of the present Survey show that about 76 per cent. of the large and about 4 per cent. of the small factories, or about 14 per cent. of the factories in the Industry, had made arrangements for recreation of workers. The percentage of factories providing recreation facilities was 16 in West Bengal and 14 in the Residual Group. Of the factories providing recreation facilities, about 65 and 84 per cent. had made arrangements for indoor games and outdoor games respectively, about 43 per cent. had provided radio sets and about 56 and 50 per cent. of the units arranged for dramas and film shows respectively. About 28 per cent. of the factories were organising some religious and social functions.

In about 62 per cent. of the factories providing recreation facilities in the industry, such facilities were financed by the managements through *ad hoc* contributions and in the remaining factories (*i.e.*, about 38 per cent.), they were financed from the *ad hoc* contributions of the managements as well as the contributions of workers. In about 78 per cent. of the factories providing recreation facilities, such facilities were available to all workers and in about 22 per cent., they were available to those workers who paid some subscription. As regards management of the activities, in about 39 per cent. of the factories providing recreation facilities, such facilities were administered by the employers either directly or through Labour Officers and in about 46 per cent. of the units, they were administered through committees consisting of representatives of both management and workers. In about 7 per cent. of the units, they were managed by the members. In the remaining 8 per cent., constituting only one large factory in the Residual Group., there was a Welfare Centre entirely financed by the management and directly controlled by the Welfare Officer. In addition, the factory had a Recreation Club open to the members. This club was managed by an elected Committee.

### 5.9. Educational Facilities

During 1944-45, some of the paper mills in Bengal, Bihar, Bombay, Orissa, Punjab, Uttar Pradesh and Madras visited by the Labour Investigation Committee were running primary or higher schools for their workers' children and, in a few cases, no fee was charged besides giving free books, etc., to deserving and poor children. Some units had introduced adult literacy classes as well. The present Survey had revealed that only about 5 per cent. of the Paper and Paper Products factories in the country had provided educational facilities in the form of schools for their workers' children. These comprise about 23 per cent. of the large and 2 per cent. of the small factories. All these factories were located in the Residual Group. In about 22 per cent. of the factories, the schools were exclusively for the workers' children while in the remaining 78 per cent. of the units, the schools were open to others also. As regards the standard of educational facilities provided, it was observed that in about 22 per cent. of the units having schools, only primary education was available and in the rest, there were high or higher secondary schools. About 22 per cent. of the units providing schools, all being large, did not charge any fee from the students. In none of the units surveyed, books and other items of stationery were supplied free to the students. A few factories located in both West Bengal and the Residual Group (constituting about 8 per cent. of the



factories at the Industry level) were found to be paying a regular subsidy to some other schools for admitting their workers' children. One small factory in the Residual Group was running an adult education centre.

#### 5.10. *Medical Facilities*

During 1944-45, as reported by the Labour Investigation Committee, all the units had made arrangements for medical relief by establishing dispensaries which were generally in charge of qualified doctors. A few units had also provided separate hospitals for their employees. The position at the time of the present Survey is discussed below.

##### 5.10.1. *Hospitals and Dispensaries*

During the course of the present Survey, it was found that about 9 per cent. of the Paper and Paper Products factories in the country (comprising about 11 per cent. of the factories in West Bengal and 9 per cent. in the Residual Group) were running dispensaries/hospitals for the benefit of their employees. Besides full-time doctors who were appointed in all dispensaries/hospitals, about 11 per cent. of the units had part-time doctors also. Part-time doctors, wherever appointed, were available for 18 hours in a week. It was also observed that three units in the Residual Group, constituting about 4 per cent. of the factories at the Industry level, were having contracts with some doctors elsewhere for medical treatment of their workers. Thus, in the Industry, as a whole, arrangements for medical treatment of workers existed in about 13 per cent. of the factories. Besides their normal duties, the doctors attended to workers' families and conducted family planning operations or organised lectures on the subject in some of the factories. Among the factories providing medical facilities and employing contract labour, it was noticed that in about 19 per cent. of such factories, the contract labour enjoyed medical facilities in the same manner as directly engaged labour.

##### 5.10.2. *Ambulance Rooms*

Under the Factories Act, every factory employing more than 500 workers is required to provide and maintain an ambulance room. The rules framed by the State Governments prescribe the standard as well as equipment of such rooms. The Survey has revealed that about 12 per cent. of the factories in the Industry, as a whole, were under a statutory obligation to provide and maintain ambulance rooms. Of them only 18.5 per cent., constituting about 2 per cent. of the factories at the All-India level, had fulfilled their obligation. All such factories in West Bengal and about 75 per cent. in the Residual Group had not complied with the law. The ambulance rooms, wherever provided, were under the charge of full-time doctors. In half of these factories, the ambulance room served as a dispensary also. None of the factories surveyed had provided ambulance room voluntarily.

##### 5.10.3. *First-aid Boxes*

The Factories Act, 1918, lays down that every factory should maintain first-aid boxes at the rate of one for every 150 workers ordinarily employed. Each box should be kept under the charge of a trained first-aider. The law further requires that such boxes should contain the prescribed items and should be readily accessible to workers during all the working hours.

The Survey results show that about 92 per cent. of the Paper and Paper Products factories in the country, comprising about 84 and 94 per cent. of the factories in West Bengal and Residual Group respectively, had provided first-aid boxes. Only about 43 per cent. of the factories having first-aid boxes had kept all or some of the first-aid boxes under the charge of trained first-aiders. The percentage of Paper and Paper Products factories where the first-aid boxes (all or some) were under the charge of trained first-aiders was estimated at about 6 and 51 in West Bengal and the Residual Group respectively. About 86 per cent. of the factories had appointed first-aiders trained under the St. John Ambulance; about 8 per cent. had appointed first-aiders trained under the Red Cross and the rest (i.e., about 6 per cent.) had appointed first-aiders trained under some other scheme. As regards contents of the first-aid boxes, they were found to be complete in only about 23 per cent. of the factories. The boxes in the other factories were found to be deficient in one or more items. In about 87 per cent. of the factories having first-aid boxes, they were easily accessible.

#### 5.11. *Transport Facilities*

It was observed during the Survey that only one small factory in the Residual Group, constituting about 2 per cent. of the factories in the Industry, as a whole, was providing concessional transport facilities to its workers from their residences to work place and back on a nominal charge of Rs. 6.60 per month.

#### 5.12. *Other Amenities*

From the report of the Labour Investigation Committee it would appear that, during 1944-45, most of the Paper Mills visited by them were running grain shops or stores where necessities of life were sold to workers at market rates/controlled rates. In a few cases, the rates were even lower than the controlled prices. The results of the present Survey show that only 3 factories (2 large and one small) in the Residual Group, constituting about 1 per cent. of the factories in the Industry, as a whole, were running grain-shops. In one of the large factories, the articles were sold to only clerical, production and watch and ward staff who had been in the service of the unit since March, 1953. Those who were appointed subsequently were not entitled to this facility. The grain-shop was run entirely by the management and articles were sold at subsidised rates. In the other large factory, the articles were sold at market prices whereas, in the small factory, they were sold at cost price.

It was estimated that about 13 per cent. of the factories in the Industry, as a whole, (comprising 11 and 14 per cent. of the factories in West Bengal and the Residual Group respectively) were having co-operative credit societies and/or co-operative stores. The successful working of workers' co-operative societies in the units in Bengal had also attracted the attention of the Labour Investigation Committee during 1944-45.

One large factory in the Residual Group was also having a housing society. The housing society advanced loans to members at 10 per cent.

interest and re-payable in 12 equal monthly instalments. The managements of about 62 per cent. of the factories having co-operative societies were giving some financial aid to them.

The Survey results also show that about 22 per cent. of the factories in the Industry, as a whole, were providing protective clothing and/or similar other facility to workers. They were in the form of cloth pieces, hand gloves, rubber shoes, etc.

### 5.13. Housing Facilities

The Labour Investigation Committee had reported that residential accommodation was provided to workers in varying proportions in all the centres visited by them except Madras—Rajahmundry and of the 15,425 workers employed in the Industry at that time, nearly 38 per cent. had been housed by the employers. The present Survey has, however, shown that about 27 per cent. of the Paper and Paper Products factories in the country had provided housing accommodation to their employees. Centre-wise details are given in Statement 5.2.

#### STATEMENT 5.2

*Estimated Percentage of Factories Providing Houses, Extent of Accommodation provided, etc. (1965-1966)*

Centre	Number of Factories	Per-centage of Factories Provid-ing Houses	Percentage of Houses Consisting of				Percentage of Factories which	
			One Room	Two Rooms	Three Rooms	Four or more Rooms	Charged no rent at all	Charged rent from all
1	2	3	4	5	6	7	8	9
1. West Bengal ..	57	26.3	65.2	34.8	—	—	100.0	—
(a) Large Factories	9	33.3	62.7	37.3	—	—	100.0	—
(b) Small Factories	48	25.0	100.0	—	—	—	100.0	—
2. Residual ..	235	27.0	62.9	30.1	5.0	2.0	61.5	38.5
(a) Large Factories	32	90.0	62.9	31.5	4.0	1.6	66.7	33.3
(b) Small Factories	203	17.1	62.8	26.3	7.9	3.0	57.2	42.8
3. All-India ..	292	26.9	63.1	30.6	4.5	1.8	68.8	31.2
(a) Large Factories	41	77.6	62.9	32.1	3.6	1.4	69.8	30.2
(b) Small Factories	251	18.6	63.8	25.6	7.7	2.9	68.2	31.8

It would appear from the Statement that the percentage of factories providing housing accommodation was higher in the case of large factories (i.e., about 78 per cent.) than small ones (i.e., about 19 per cent.). About 63 per cent. of the houses consisted of one room and nearly 31 per cent. had two rooms. The remaining about 6 per cent. of the houses had 3 or more rooms and they were all located in the Residual Group.

Nearly 69 per cent. of the factories providing houses were not charging any rent from their employees. These comprised all factories providing houses in West Bengal and about 62 per cent. of such factories in the Residual Group. The Survey has further revealed that about 88 per cent. of the houses were *pucca* built and the rest were all *kutchha*.

It has been estimated on the basis of the results of the Survey that out of 61,456\* workers employed in the Paper and Paper Products Industry as on 31st March, 1965, only about 26 per cent. had been provided houses by the employers. Further details are given in Statement 5.3.

### STATEMENT 5.3

#### *Estimated Percentage of Workers Allotted Houses (1965-66)*

Centre				Number of Factories	Total Number of Workers* Employed	Percentage of Workers Allotted Houses
1				2	3	4
1. West Bengal ..	..	..	..	57	15,343	11.3
(a) Large Factories	..	..	..	9	11,678	13.9
(b) Small Factories	..	..	..	48	3,665	3.1
2. Residual ..	..	..	..	235	46,113	31.3
(a) Large Factories	..	..	..	32	35,193	40.6
(b) Small Factories	..	..	..	203	10,920	1.3
3. All-India ..	..	..	..	292	61,456	26.3
(a) Large Factories	..	..	..	41	46,871	33.9
(b) Small Factories	..	..	..	251	14,585	1.7

None of the Paper and Paper Products factories surveyed was providing any facility to its employees for building their own houses.

\*Covered under the Factories Act, 1948.

## CHAPTER VI

### SOCIAL SECURITY

Prior to the attainment of Independence, factory workers in the country enjoyed social security only to a limited extent which was mainly in the shape of compensation for industrial accidents under the Workmen's Compensation Act passed by the Central Government in 1923. Women workers, in addition, were entitled to maternity benefits under State Acts. However, after Independence, there has been a considerable enlargement of the scope and content of social security benefits, largely as a result of adoption of such statutory measures as the Employees' State Insurance Act, 1948, and the Employees' Provident Funds Act, 1952, and, to a certain extent, as a result of adjudication awards. The following paragraphs describe briefly the social security benefits being enjoyed by workers in the Paper and Paper Products factories in the country at the time of the present Survey.

#### 6.1. *Provident Fund Schemes*

During 1944-45, the Labour Investigation Committee had reported that provident fund schemes existed in some of the paper mills visited by them in Bihar, Bengal and Mysore. As these schemes were optional, very small proportion of workers were found to be benefitting from them. There was absolutely no such provision in the factories located in Bombay, Rajahmundry, Orissa and Punjab. The results of the present Survey show that provident fund schemes were in existence in about 71 per cent. of the Paper and Paper Products factories in the country, comprising all large and about two-thirds of the small factories. All factories covered in West Bengal had introduced provident fund schemes as against 64 per cent. in the Residual Group. An estimated number of 45.7 thousand workers in the Paper and Paper Products Industry, i.e., 74.5 per cent. of the total, were members of provident fund schemes as on 31st March, 1965. Details are given in Statement 6.1.

It would appear from the Statement that about 98 per cent. of the factories had introduced provident funds under the Employees' Provident Funds Scheme framed by the Government of India in 1952 and consequently, the rate of contribution, conditions of eligibility, etc., were the same as laid down in the Scheme. There was one small factory in the Residual Group which was having, in addition to the Employees' Provident Funds Scheme, another provident fund scheme covering permanent professional, managerial, clerical and watch and ward employees who were not covered under the statutory scheme. The rate of contribution both for the employees and the employer under this scheme was 6½ per cent. of basic wages. Another small factory, in the Residual Group had introduced a general provident fund scheme. The scheme covered all workers except apprentices and the only condition prescribed for membership was completion of one year's service. The rate of contribution was 6½ per cent. of basic wages and no contribution was made by the employer.

## STATEMENT 6.1

*Estimated Percentage of Factories having Provident Fund Schemes, etc.  
(31st March, 1965)*

Centro	Number of Factories	Percentage of Factories Having Provident Fund Schemes	Percentage (of col. 3) of Factories Having			Total Number of Workers* Employed as on 31-3-1965	Percentage of Workers who were Members of the Provident Funds Scheme (of Col. 7)	
			Emple- yees' Provid- ent Funds Scheme only	Emple- yees' Provid- ent Funds Scheme and others	Other Schemes only			
1	2	3	4	5	6	7	8	
1. West Bengal ..	..	57	100.0	100.0	—	—	15,343	76.8
(a) Large Factories ..	..	9	100.0	100.0	—	—	11,678	77.7
(b) Small Factories ..	..	48	100.0	100.0	—	—	3,665	74.2
2. Residual ..	..	235	64.2	93.4	3.3	3.3	46,113	73.7
(a) Large Factories ..	..	32	100.0	100.0	—	—	35,193	82.3
(b) Small Factories ..	..	203	58.5	91.7	4.2	4.1	10,920	46.0
3. All-India ..	..	292	71.2	95.2	2.4	2.4	61,456	74.5
(a) Large Factories ..	..	41	100.0	100.0	—	—	46,871	81.1
(b) Small Factories ..	..	251	66.5	94.0	3.0	3.0	14,585	53.1

\*Covered under the Factories Act, 1948.

## 6.2. Pension Schemes

Schemes of granting retirement pension to the workers were reported by the Labour Investigation Committee to be in force in only a few paper mills in Bombay and Bengal. The present Survey has also revealed that, of all the factories covered in the Survey, only one large factory in the Residual Group, constituting about 1 per cent. of the factories in the Industry, as a whole, had introduced a pension scheme in addition to provident fund. The scheme covered all workers who had completed 30 years' of service or had acquired 65 years of age. The rate at which pension was paid depended at the discretion of the management.

## 6.3. Gratuity Schemes

From the report of the Labour Investigation Committee on Paper Mills, it would appear that schemes for payment of gratuity existed in only two units—one in Bombay and the other in Mysore. The results of the present Survey show that gratuity schemes, providing for payment of gratuity in the event of retirement, death, voluntary resignation or termination of service by employers on grounds other than misconduct, were in force in about 22 per cent. of the Paper and Paper Products factories in the country, as a whole, consisting of about 69 per cent. of the large and 14 per cent. of the small factories. The percentage of the factories having introduced gratuity schemes was 26 and 21 in West

Bengal and Residual Group respectively. The schemes were regular in about 75 per cent. of the factories paying gratuity. In the rest of the factories (i.e., 25 per cent.), the payment of gratuity depended on the discretion of the managements. In about 95 per cent. of the factories paying gratuity, the schemes covered all workers. In one large factory in West Bengal, constituting about 5 per cent. of the factories in the country, the payment of gratuity was restricted to clerical and production workers only. Of the factories employing contract labour, only one large factory in West Bengal had introduced gratuity scheme but it was not applicable to contract labour.

The rate of payment varied from 10 days' to 30 days' wages for each completed year of service subject to a maximum varying from 10 months' to 20 months' wages. The period of qualifying service also differed from unit to unit but generally it ranged from one year to 15 years of continuous service.

On the basis of the data collected during the present Survey, it has been estimated that 699 persons in the Industry received gratuity during the year 1964.

#### 6.4. *Maternity Benefits*

Legislation providing for payment of cash maternity benefits for certain periods before and after confinement, granting of leave and certain other facilities, etc., to women employed in factories exists in almost all States under the various Maternity Benefit Acts passed by the State Governments. However, where the Employees' State Insurance Scheme has been put into force, the employers are absolved of their liability under the concerned Maternity Benefit Act.

Wherever the Employees' State Insurance Scheme was in operation at the time of the Survey maternity benefits were payable to workers under this Scheme. The Survey has revealed that, during 1964, claims for maternity benefits had been made and accepted for payment in about 15 per cent. of the factories employing women. All the claims for maternity benefits were made by the women workers employed directly.

#### 6.5. *Industrial Accidents*

The Workmen's Compensation Act, 1923, and the Employees' State Insurance Act, 1948, provide for payment of compensation to workers who are injured on account of accidents arising out of and in the course of employment. Provisions of the Workmen's Compensation Act were applicable, at the time of the Survey, to all Paper and Paper Products factories excepting those covered under the Employees' State Insurance Scheme. During the present Survey, information in respect of number and nature of industrial accidents was collected from all the sampled Paper and Paper Products factories whether covered or not under the Employees' State Insurance Scheme. On the whole, an estimated number of 1,461 workers in the Industry were involved in accidents during 1964, which had occurred in about 31 per cent. of the Paper and Paper Products factories in the country. Perhaps a better picture can be had when the number of workers involved in accidents vis-a-vis the number of workers employed is taken into account. The rate of accidents per thousand workers, based on the estimate of average number employed during 1964, as also the distribution of workers involved by nature of accidents, are given in Statement 6.2.

## STATEMENT 6·2

*Estimated Proportion of Workers Involved in Accidents by Nature of Accidents (1964)*

Centre	Number of Factories	Percentage of Factories where Accidents were reported	Estimated Average Daily Employment in 1964	Number of Workers involved in Accidents per 1,000 Workers Employed Resulting in			
				Death	Permanent Disability	Temporary Disability	Total
1	2	3	4	5	6	7	8
1. West Bengal ..	57	21·0	12,794	—	—	19·9	19·9
(a) Large Factories ..	9	66·7	9,482	—	—	25·4	25·4
(b) Small Factories ..	48	12·5	3,312	—	—	4·2	4·2
2. Residual ..	235	33·3	36,379	0·1	0·8	32·3	33·2
(a) Large Factories ..	32	90·0	28,093	0·1	0·6	36·8	37·5
(b) Small Factories ..	203	24·4	8,286	—	1·2	17·0	18·2
3. All-India ..	292	30·9	49,173	*	0·6	29·1	29·7
(a) Large Factories ..	41	84·9	37,575	0·1	0·5	33·9	34·5
(b) Small Factories ..	251	22·1	11,598	—	0·8	13·4	14·2

\*Less than 0·05.

It will be seen from the Statement (6·2) that the rate of accidents in the Industry, as a whole, was about 30 per thousand workers employed. The rate was higher in the Residual Group than that in West Bengal. It was also noticed that accidents were more frequent in large factories as compared to small ones. Most of the accidents caused only temporary disability.

*6·6. Occupational Diseases*

None of the units surveyed in the Paper and Paper Products Industry reported the existence of any occupational disease among workers.



## CHAPTER VII

### INDUSTRIAL RELATIONS

During the present Survey, attention was focussed on some important aspects of industrial relations in the Paper and Paper Products factories. The observations made appear in the following paragraphs.

#### 7.1. *Industrial Disputes*

Data pertaining to industrial disputes in the Paper and Paper Products factories were not collected during the present survey since the same were available in the Labour Bureau. Such information in respect of the number of disputes in the Paper and Paper Products factories in the country and consequent loss of man-days since 1959 is given in Statement 7.1.

#### STATEMENT 7.1

*Number of Disputes Resulting in Work-Stoppages, Workers Involved  
and Man-days Lost  
(From 1959 to 1965)*

Year					Number of Disputes*	Number of Workers Involved	Number of Man-days Lost (in '000s)
1					2	3	4
1959	..	..	..	..	5	1,999	100
1960	..	..	..	..	10	3,279	34
1961	..	..	..	..	13	3,355	78
1962	..	..	..	..	10	4,178	13
1963	..	..	..	..	15	2,825	7
1964	..	..	..	..	18	4,215	110
1965	..	..	..	..	22	5,767	51

*Source*—Labour Bureau (Indian Labour Statistics, 1964, 1966 and 1968).

\*Resulting in work-stoppages on account of strikes or lock-outs and involving 10 or more workers.

It will be seen from the Statement that there was considerable loss of man-days due to strikes and lock-outs during the years 1959, 1961 and 1964. In 1959, there was a major strike in one of the paper mills in the Residual Group on the issue of annual bonus and wage revisions resulting in a loss of about 97 thousand man-days. In 1961, in one of the factories about 20 thousand man-days were lost on the demand of workers for withdrawal of suspension order and charge sheet while, in another factory, a major lock-out resulted in a loss of about 44 thousand man-days. In 1964, a single strike in one of the paper mills on the pretext of removing chaotic conditions in the mill was responsible for the loss of about 90 thousand man-days.

## 7.2. Trade Unionism

Commenting on the state of trade unionism in the Paper Industry, the Labour Investigation Committee had observed: "Trade Unionism in the Industry is extremely weak. The one exception to this probably is the labour association in the factory at Bhadravati in Mysore State. This association has been recognised by the employers and unlike most of the unions in the country, is conducting some welfare activities such as canteen, literacy classes, etc." On the basis of the present Survey, it is estimated that, in the Industry, as a whole, workers were organised into trade unions in about 34 per cent. of the Paper and Paper Products factories and 67 per cent. of them were members of the trade unions. Details appear in Statement 7.2.

## STATEMENT 7.2

*Estimated Percentage of Factories where Workers were Members of Trade Unions, etc.*

(1965-66)

Centre	Number of Factories	Percentage of Factories where Workers were Members of Trade Unions	Number of Workers* as on 31-3-1965	Percentage of Workers who were Members of Trade Unions	Percentage of Factories where Unions (some or all) were Recognised
1	2	3	4	5	6
1. West Bengal ..	57	47.4	15,343	10,518 (68.6)	55.6
(a) Large Factories ..	9	100.0	11,678	9,195 (78.7)	100.0
(b) Small Factories ..	48	37.5	3,665	1,323 (36.1)	33.3
2. Residual .. ..	235	30.5	46,113	30,675 (66.5)	100.0
(a) Large Factories ..	32	100.0	35,193	24,052 (68.3)	100.0
(b) Small Factories ..	203	19.5	10,920	6,623 (60.6)	100.0
3. All-India .. ..	292	33.8	61,456	41,193 (67.0)	87.8
(a) Large Factories ..	41	100.0	46,871	33,247 (70.9)	100.0
(b) Small Factories ..	251	23.0	14,585	7,946 (54.5)	79.2

\*Covered under the Factories Act, 1948.

NOTE—Figures within brackets in col. 5 are percentages of workers who were members of trade unions to the total number of workers covered under the Factories Act, 1948 on the specified date.

The Statement would show that more factories in West Bengal had trade unions as compared to the Residual Group. Even from the point of view of membership of trade unions, West Bengal was leading. Further, all large factories in the country had unions as against 23 per cent. of small factories. The managements of about 88 per cent. of the factories having trade unions had accorded recognition to one or more of the trade unions functioning in their factories.

In all the Paper and Paper Products factories having trade unions, all the trade unions were registered under the Indian Trade Unions Act, 1926. As regards multiplicity of trade unions, it was observed that in about 82 per cent. of the factories having trade unions, only one trade union was functioning while the remaining 18 per cent. had more than one trade union.

The most important activity of the trade unions was securing of claims of their members under various Labour Acts. About 10 per cent. of the trade unions were providing recreation facilities to their members and about 13 per cent. were providing relief to distressed workers.

### 7.3. *Collective Agreements*

In the course of the Survey, information was collected in respect of collective agreements concluded in the sampled Paper and Paper Products factories since 1956. It was found that about 11 per cent. of the factories in West Bengal and nearly 24 per cent. in the Residual Group or about 22 per cent. of the factories in the Industry, as a whole, had concluded collective agreements since 1956. Such agreements existed in about 69 per cent. of the large factories as against 14 per cent. of the small ones. The agreements covered a wide range of issues like wages, dearness allowance, introduction of incentive bonus, recognition of trade union, gratuity, leave, etc.

### 7.4. *Standing Orders*

The Labour Investigation Committee had reported that, during 1944-45 a few Paper Mills in Bombay, Orissa, Uttar Pradesh and Madras had framed Standing Orders. Though the mill in Bihar had no such Orders but there were certain well-defined rules, governing the relations between the employer and the employees. However, under the Industrial Employment (Standing Orders) Act, 1946, framing of Standing Orders for regulating such matters as classification of workers, intimation of periods and hours of work, holidays, termination of employment and redress of grievances, etc., is obligatory for all those factories which employ 100 or more workers. The State Governments are, however, empowered to extend the scope of the Act to even those establishments which employ a smaller number of workers.

It is estimated on the basis of the results of the Survey that 28 per cent. of the Paper and Paper Products factories in the country were under a statutory obligation to frame Standing Orders and that about 64 per cent. of them had done so. Compliance with law was about 60 and 65 per cent. in West Bengal and the Residual Group respectively. However, besides those factories which were under a statutory obligation, a few small factories in the Residual Group had also framed Standing Orders of their own. Thus, in the Industry,

as a whole, Standing Orders had been framed in about 23 per cent. of the factories. In all cases, the Standing Orders had been framed under the Industrial Employment (Standing Orders) Act, 1946. With the exception of 5 per cent. of the factories in the Residual Group, in all others the Standing Orders had been certified by the competent authority. In about 71 per cent. of the factories having Standing Orders, such Orders covered all workers whereas in about 17 per cent. of the factories, they covered only 'Production and Related Workers'. In the remaining 12 per cent. of the factories, the Standing Orders covered both Watch and Ward, as well as Production and Related Workers. Statement 7·3 gives details regarding existence of Standing Orders in the Paper and Paper Products factories.

## STATEMENT 7·3

*Estimated Percentage of Factories where Standing Orders were Framed, etc.  
(1965-66)*

Centre	Number of Factories	Percentage of Factories which had Framed Standing Orders	Percentage of Factories under Statutory Obligation to Frame Standing Orders	Percentage of Factories where Standing Orders were Framed (of Col. 4)	Percentage of Factories where Standing Orders were Certified
1	2	3	4	5	6
1. West Bengal ..	57	15·8	26·3	60·0	100·0
(a) Large Factories..	9	100·0	100·0	100·0	100·0
(b) Small Factories..	48	..	12·5	..	..
2. Residual .. ..	235	24·9	28·4	65·5	94·5
(a) Large Factories..	32	90·0	100·0	90·0	88·9
(b) Small Factories ..	203	14·6	17·1	42·8	100·0
3. All-India .. ..	292	23·1	28·0	64·5	95·3
(a) Large Factories..	41	92·2	100·0	92·2	91·5
(b) Small Factories..	251	11·8	16·2	36·5	100·0

7·5. *Welfare/Labour Officers*

Generally, there was no practice of appointing Welfare or Labour Officers in the Paper Mills at the time of the enquiry conducted by the Labour Investigation Committee. However, with a view to enabling employers to have better arrangements for personnel managements and to help them in ensuring proper implementation of labour laws, specific provision has been made in the Factories Act, 1948, requiring all factories employing 500 or more workers to appoint a Welfare Officer. The rules framed by the State Governments under the Act prescribe the functions and duties of these officers.

The Survey results show that about 12 per cent. of the Paper and Paper Products factories in the country were under a statutory obligation to appoint Welfare Officers and that about 91 per cent. of them had fulfilled their obligation. The only defaulting unit, which was of large size, was in West Bengal. The reason adduced by the management of this factory for not appointing any Welfare Officer was that the Administrative Officer was discharging the relevant duties. It was further observed that 2 small factories in the Residual Group, which were under no statutory obligation to appoint Welfare/Labour Officers, had actually appointed them. Thus, the percentage of the Paper and Paper Products factories which had appointed Welfare/Labour Officers, irrespective of the fact whether they were obliged to do so or not, stood at 14.

These Officers had a wide range of activities and were found to be performing all such duties as are prescribed in the Rules framed under the Factories Act. They were advising managements in regard to matters connected with the proper implementation of various labour laws. Maintenance of harmonious relations between the management and the workers and organisation and supervision of labour welfare and recreation facilities were also a part of their duties. In about 45 per cent. of the factories (all large) which had appointed Welfare/Labour Officers, these Officers appeared before the tribunals, etc., on behalf of the managements in industrial disputes.

#### *7.6. Works/Joint Committees*

It was not till the enactment of the Industrial Disputes Act, 1947, that any positive step was taken by the Government of India for the setting up of Works or Joint Committees in the country. The Labour Investigation Committee also did not notice the existence of any such committee in any of the Paper Mills visited by them. The Act lays down that all those establishments which employ 100 or more workers shall constitute Works Committees. Some of the State Laws also provide for the constitution of Joint Committees in certain types of establishments. These Committees provide a forum at the unit level for elimination of sources of friction through 'mutual discussion and consultation between the managements and their employees.

The results of the present Survey have shown that about 28 per cent. of the Paper and Paper Products factories in the country were under a statutory obligation to set up Works Committees and, out of them, about 33 per cent. had done so. The compliance with law was 20 per cent. in West Bengal and 36 per cent. in the Residual Group. None of the other factories surveyed had formed such Committees voluntarily. Thus, the percentage of Paper and Paper Products factories which had set up Works/Joint Committees in the Industry, as a whole, stood at about 9. Generally speaking, the reasons advanced by the managements of the defaulting units for not constituting Works Committees were lack of interest on the part of workers, existence of trade unions or other forums for ventilating workers' grievances and the ignorance of the management of the legal requirement in this respect. In about 88 per cent. of the factories which had set up Works/Joint Committees, there was equal representation of the managements and the workers. In about 24 per cent. of the factories, the Works/Joint Committees had met up to 3

times during the 12 months preceding the specified date, in about 58 per cent. they had met over 3 and up to 6 times and in the remaining factories (*i.e.*, about 18 per cent.), they had met over 6 and up to 9 times. The records of the meetings indicate that a large variety of items like starting of fair price shops, consumer stores and other welfare measures as well as the questions pertaining to wages, bonus, etc., were discussed and the decisions, wherever taken, were generally implemented.

#### 7.7. *Production and Other Committees*

Production Committees consisting of representatives of both employers and employees were found to have been set up in one large factory in West Bengal and 4 factories, 3 large and one small, in the Residual Group, all constituting about 6 per cent. of the factories in the Industry, as a whole. The functions of these Production Committees were to advise on matters relating to production.

Safety Committees were reported to be in existence in only 2 small factories in the Residual Group, constituting about 3 per cent. of the factories in the Industry, as a whole. In both the factories, workers were represented on these committees. Their functions were to suggest safety measures and to enlighten workers about them.

Three large factories in the Residual Group, constituting about 3 per cent. of the factories in the Industry, as a whole, had constituted other committees like Suggestions Committee, Housing Committee, Emergency Production Committee, Town Committee, etc. Workers were represented on all these Committees.

#### 7.8. *Grievance Procedure*

The Labour Investigation Committee had made no mention of the existence of any systematic grievance procedure in the Paper Industry. With the coming into force of the Industrial Employment (Standing Orders) Act, 1946, it became compulsory for all factories employing 100 or more workers to frame Standing Orders prescribing, *inter alia*, the procedure to be followed for the redress of workers' grievances. As mentioned elsewhere, about 23 per cent. of the Paper and Paper Products factories in the country had framed Standing Orders and thus had a prescribed grievance procedure. According to the prevailing practice, the workers took their grievances to their immediate supervisor in the first instance. If they were not satisfied with the decision at this level, they could take the grievance to the higher officer either themselves or through the unions.

#### 7.9. *Association of Workers with the Management*

The present Survey has shown that in none of the Paper and Paper Products factories surveyed in the country, the employers had associated workers with the management of the units.

## CHAPTER VIII

### LABOUR COST

Information pertaining to labour cost was collected from the sampled establishments, during the course of the present Survey, in respect of the employees covered under the Factories Act, 1948, and receiving less than Rs. 400 per month as wages. This was in pursuance of the decision taken by the Study Group on Wage Costs appointed by the Ministry of Labour and Employment in 1959. The enquiry relating to labour cost was modelled on the lines of the Study of Labour Costs in the European Industry, made by the International Labour Office in 1956, with such modifications as were considered necessary in the light of conditions obtaining in India. For instance, in view of the fact that wages in India are paid on the basis of days instead of hours, data were collected in respect of man-days instead of man-hours. Similarly, it was found in the course of the pilot enquiry that, except for very few establishments, separate records of payments made for leave or holidays, or for days not worked, were not maintained and hence these were dropped as separate items and included under 'basic wages'. Certain additions were made in the list either on the basis of the decisions of the Study Group referred to above, or to elicit separate information on some of the items on which employers have to incur expenses under labour laws in force in the country, e.g., lay-off, retrenchment compensation, etc.

As mentioned earlier, the Survey in this Industry was launched in April, 1965, and completed in February, 1966. With a view to maintaining comparability of data and ensuring uniformity, it was intended to collect information, as far as possible, for the calendar year 1964. If, however, the financial year of the establishment did not coincide with the calendar year, and it was not feasible to collect information for the year 1964, the field staff were asked to collect the data for the latest period of 12 months for which information was available subject to the condition that a major period of the year 1964 (six months or more) was covered. The available data show that it was possible to collect information from most of the sampled establishments for the year 1964. The data collected may, therefore, be taken to refer broadly to the year 1964.

It may also be mentioned here that with a view to forming a better estimate of labour cost, salaries and allowances, etc., as well as the man-days worked in respect of those persons who were employed in connection with any welfare item, amenity, etc., even though they were covered under the Factories Act and were receiving less than Rs.400 per month, were not included in the general heads "Wages", "Bonuses" and "Other Cash Payments" along with the similar amounts paid to workers who came within the scope of the Study. Expenses incurred in connection with such persons were recorded against the items for which they were employed.

### 8.1. *Labour Cost per Man-day Worked.*

Data in respect of man-days worked and the wages and other earnings of the workers were collected for the above-mentioned period. Further, expenditure incurred by the employers on various welfare and social security measures, subsidy services, etc., representing the cost incurred by the employers on labour was also recorded in the course of the Survey. Based on the above, the average labour cost per man-day worked has been worked out and is given in Statement 8.1.

#### STATEMENT 8.1

##### *Estimated Labour Cost per Man-day Worked (1964).*

Centre	Labour Cost Per Man- day Worked (In Rs.)	
1	2	
1. West Bengal .. .. .	7.37	
(a) Large Factories .. .. .	8.34	
(b) Small Factories .. .. .	4.51	
2. Residual .. .. .	5.98	
(a) Large Factories .. .. .	6.36	
(b) Small Factories .. .. .	4.65	
3. All-India .. .. .	6.34	
(a) Large Factories .. .. .	6.86	
(b) Small Factories .. .. .	4.61	

The over-all labour cost per man-day worked for the Industry, as a whole, was estimated at Rs. 6.34. The burden of the cost was higher in West Bengal (Rs. 7.37) than that in the Residual Group (Rs. 5.98). Similarly, the labour cost was higher in large factories as compared to small ones.

### 8.2. *Components of Labour Cost.*

The major element of labour cost was 'wages' which accounted for about 75 per cent. of the total labour cost per man-day worked. Details of the various components of labour cost are presented in Statement 8.2.

The various components of labour cost are discussed in the following paragraphs.



# STATEMENT 8.2

## Estimated Labour Cost per Man-day worked by Main Components (1964)

		(In Rupees)										
Centre	Wages	Premium pay for Over-time and Late Shifts	Bonuses	Other Cash Payments	Payments in kind	Social Security Contributions		Subsidies	Direct Benefits	Some Other Payments related to Labour Cost	Others	Total
						Obli-gatory	Non-Obli-gatory					
1	2	3	4	5	6	7	8	9	10	11	12	13
<b>1. West Bengal ..</b>												
(a) Large Fac-tories ..	5.46 (74.15)	0.35 (4.77)	0.27 (3.67)	0.41 (5.50)	0.05 (0.66)	0.44 (5.98)	0.02 (0.29)	0.29 (3.93)	—	0.04 (0.55)	0.04 (0.50)	7.37 (100.00)
(b) Small Fac-tories ..	6.10 (73.15)	0.43 (5.15)	0.22 (2.59)	0.53 (6.36)	0.06 (0.77)	0.49 (5.86)	0.03 (0.35)	0.38 (4.53)	—	0.05 (0.64)	0.05 (0.60)	8.34 (100.00)
	3.59 (79.58)	0.12 (2.67)	0.43 (9.55)	0.04 (0.84)	—	0.30 (6.63)	—	0.03 (0.68)	—	* (0.05)	—	4.51 (100.00)
<b>2. Residual ..</b>												
(a) Large Fac-tories ..	4.54 (75.98)	0.07 (1.20)	0.37 (6.11)	0.07 (1.21)	0.11 (1.79)	0.43 (7.19)	* (0.01)	0.34 (5.63)	—	0.01 (0.19)	0.04 (0.75)	5.98 (100.00)
(b) Small Fac-tories ..	4.75 (74.77)	0.08 (1.29)	0.43 (6.72)	0.07 (1.13)	0.14 (2.11)	0.47 (7.42)	—	0.36 (5.60)	—	0.01 (0.17)	0.05 (0.79)	6.36 (100.00)
	3.80 (81.71)	0.04 (0.79)	0.15 (3.25)	0.07 (1.58)	0.01 (0.27)	0.27 (5.76)	* (0.03)	0.27 (5.76)	—	0.01 (0.28)	0.03 (0.57)	4.65 (100.00)

3. All-India ..	4.78 (75.42)	0.15 (2.29)	0.34 (5.37)	0.16 (2.52)	0.09 (1.44)	0.43 (6.78)	0.01 (0.09)	0.32 (5.11)	—	0.02 (0.30)	0.04 (0.68)	6.34 (100.00)
(a) Large Fac- tories ..	5.10 (74.27)	0.17 (2.48)	0.37 (5.44)	0.19 (2.75)	0.11 (1.70)	0.48 (6.94)	0.01 (0.11)	0.36 (5.27)	—	0.02 (0.31)	0.05 (0.73)	6.86 (100.00)
(b) Small Fac- tories ..	3.74 (81.11)	0.06 (1.32)	0.23 (5.03)	0.06 (1.37)	0.01 (0.19)	0.28 (6.01)	*	0.20 (4.33)	—	0.01 (0.21)	0.02 (0.41)	4.61 (100.00)

\*Less than Re. 0.005.

Note—Figures within brackets are percentages to total. Percentages have been calculated by taking the figures up to 4 decimal places.

- (a) Includes basic wage, dearness allowance, incentive bonus and attendance bonus.
- (b) Includes extra payment for working on holidays.
- (c) Includes house rent allowance, travelling allowance, etc., and other *ex-gratia* payments.
- (d) Includes expenditure on medical and health care, canteens, company housing, creches, educational and recreation services, etc.
- (e) Includes direct payments made by the employer to the beneficiary on occasions like birth, death, marriage, etc.
- (f) Includes expenditure on recruitment, vocational training, apprenticeship, on-the-job medical services, etc.
- (g) Includes expenditure on miscellaneous payments like supply of protective equipment to workers, pay of Labour/Welfare Officers, etc.

8.2.1. *Wages*

This component comprised basic wages and dearness allowance, incentive/production bonus and attendance bonus received by the employees. It was desired by the Bureau to collect data under this head in respect of the man-days worked alone, but in the course of the pilot enquiry it was found that most of the employers did not maintain separate records of payments made for the days actually worked, and for leave and holiday periods. Consequently, the amount of basic wages and dearness allowance recorded included the sum paid for the days worked as well as not worked but paid for.

It will be noticed that wages constituted the bulk, i.e., about 75 per cent., of labour cost in the Industry. Its proportion was invariably higher in small factories as compared to large ones. Statement 8.3 gives the further break-up of the 'wages' cost into the various sub-groups, viz., basic earnings, incentive or production bonus and attendance bonus.

## STATEMENT 8.3

*Estimated Break-up of 'Wages' Cost by Components (1964)*

(In Rupees)

Centre				Basic Wage and Dearness Allowance (or Consolidated Wages)	Incentive/ Production Bonus	Attendance Bonus	Total
1				2	3	4	5
1. West Bengal	..	..	..	4.71 (86.12)	0.60 (11.07)	0.15 (2.81)	5.46 (100.00)
(a) Large Factories	..	..	..	5.11 (83.70)	0.81 (13.28)	0.18 (3.02)	6.10 (100.00)
(b) Small Factories	..	..	..	3.53 (98.25)	—	0.06 (1.75)	3.59 (100.00)
2. Residual	..	..	..	4.52 (99.43)	0.01 (0.31)	0.01 (0.26)	4.54 (100.00)
(a) Large Factories	..	..	..	4.74 (99.68)	* (0.03)	0.01 (0.29)	4.75 (100.00)
(b) Small Factories	..	..	..	3.74 (98.32)	0.06 (1.57)	* (0.11)	3.80 (100.00)
3. All-India	..	..	..	4.56 (95.44)	0.17 (3.54)	0.05 (1.02)	4.78 (100.00)
(a) Large Factories	..	..	..	4.83 (94.81)	0.21 (4.07)	0.06 (1.12)	5.10 (100.00)
(b) Small Factories	..	..	..	3.68 (98.30)	0.04 (1.14)	0.02 (0.56)	3.74 (100.00)

Note—Figures within brackets are percentages to total. Percentages have been calculated by taking the figures up to 4 decimal places.

\*Less than Re. 0.005.

The Statement shows that at the Industry level, about 95 per cent. of the labour cost on wages consisted of basic wages and dearness allowance or consolidated wages where dearness allowance was not being paid separately. Cost on account of incentive/production bonus and attendance bonus constituted about 4 and 1 per cent. respectively of the 'wages' cost.

### 8·2·2. *Premium Pay for Overtime and Late Shifts*

Under this group, the premium part of the pay for overtime, late shifts and work on holidays was recorded. This was represented by an amount received by the workers in addition to their normal pay. For instance, if a worker received one and a half times his normal wages for overtime work, the extra amount paid to him, i.e., one-half, was recorded against this item. The normal wages were included under the group 'wages'.

It would be seen from Statement 8·2 that the premium payments for overtime work and late shifts accounted for about 2 per cent. of the total labour cost per man-day worked. Its proportion was higher in large factories as compared to small units.

### 8·2·3. *Bonuses*

Payments made in respect of festival, year-end and any other bonus were recorded under this item. As would appear from Statement 8·2 the combined cost in respect of all such bonus payments amounted to Re. 0·34 per man-day worked or about 5·4 per cent. of the total labour cost in the Industry, as a whole. This percentage was higher in the Residual group (6·1) than that in West Bengal (3·7).

Further break-up of the bonus payments shows that about 92 per cent. of the total cost on account of this item was in respect of year-end bonus and the remaining 8 per cent. for festival bonus.

### 8·2·4. *Other Payments in Cash and Kind*

The main items to which other cash payments related were house rent allowance, ration allowance, etc., and certain other *ex gratia* payments. The combined cost on account of all these cash payments is estimated at Re. 0·16 per man-day worked or about 2·5 per cent. of the total labour cost in the Paper and Paper Products Industry.

Payments in kind related to items such as supply of food articles, free tea to workers and distribution of sweets on certain occasions, etc., in certain units. The cost per man-day worked on account of this item was Re. 0·09 or about 1·4 per cent. of the total labour cost in the Paper and Paper Products Industry.

### 8·2·5. *Social Security Contributions*

Information in respect of this component of labour cost was collected under two heads (a) obligatory, i.e., those expenses which the employers were required to incur in compliance with certain labour laws, and (b) non-obligatory, i.e., those social security contributions which the employers were making on a voluntary basis without any legal compulsion. The Survey results show that the expenses on the various social security contributions amounted to Re. 0·44 or nearly 7 per cent. of the total labour cost per man-day worked, thus being next in importance only to 'wages'. Of these, obligatory and non-obligatory social security contributions accounted for Re. 0·43 and Re. 0·01 per man-day worked respectively. Details about the labour cost in respect of various items of social security contributions for which the data were collected are given in Statement 8·4.

STATEMENT 8.4

*Estimated Cost of Social Security Contributions per Man-day Worked (1964)*

(In Rupees)

Centre		Obligatory													
		Provi- dent Fund	Retrench- ment Compen- sation	Compen- sation for Lay-off	Emple- ment State in- surance Contri- bution	Compen- sation for Employ- ment Injury	Mater- nity Bene- fits	Depen- dents Allow- ance	Gratu- ity	Others	Total	Non- Obl- igatory	Total for Obl- igatory and Non- obl- igatory	Percentage of Social Security Contri- butions to the total Labour Cost	
1	2	3	4	5	6	7	8	9	10	11	12	13	14		
1. West Bengal	..	0.31 (70.12)	—	0.13 (29.09)	*	—	—	—	—	0.44 (100.00)	0.02	0.46	6.27		
(a) Large Factories	..	0.34 (69.88)	—	0.15 (29.57)	*	—	—	—	—	0.49 (100.00)	0.03	0.52	6.21		
(b) Small Factories	..	0.21 (71.34)	—	0.08 (26.85)	—	—	—	—	—	0.30 (100.00)	—	0.30	6.63		
2. Residual	..	0.30 (69.67)	*	0.09 (19.85)	0.01 (1.22)	*	*	0.02 (5.63)	0.01 (2.51)	0.43 (100.00)	*	0.43	7.14		
(a) Large Factories	..	0.33 (70.14)	*	0.09 (18.46)	0.01 (1.40)	*	*	0.03 (5.95)	0.01 (2.90)	0.47 (100.00)	—	0.47	7.42		
(b) Small Factories	..	0.18 (66.75)	*	0.08 (28.36)	—	—	—	0.01 (3.70)	—	0.27 (100.00)	*	0.27	5.79		
3. All-India	..	0.30 (69.78)	*	0.10 (22.34)	*	*	*	0.02 (4.12)	0.01 (1.81)	0.43 (100.00)	0.01	0.44	6.87		
(a) Large Factories	..	0.34 (70.05)	*	0.10 (21.38)	0.01 (1.20)	*	*	0.02 (4.39)	0.01 (2.14)	0.48 (100.00)	0.01	0.49	7.05		
(b) Small Factories	..	0.19 (68.17)	*	0.08 (27.89)	—	—	—	0.01 (2.57)	—	0.28 (100.00)	*	0.28	6.03		

NOTE—Figures within brackets are percentages to total. Percentages have been calculated by taking the figures up to 4 decimal places.  
\*Less than Re. 0.005.

It will be seen from Statement 8.4 that about 70 per cent. of the labour cost on account of obligatory social security contributions was in respect of provident fund contributions alone. The next important item was Employees' State Insurance contributions which accounted for about 22 per cent. of the labour cost on obligatory social security contributions. The remaining about 8 per cent. of the cost was attributable to gratuity, etc.

#### 8.2.6. *Subsidies*

Cost to employers for providing certain facilities and services to workers and their families was collected under this head. The facilities listed were Medical and Health Care, Canteens, Restaurant and Other Food Services, Company Housing, Building Fund, Credit Unions and Other Financial Aid Services, Creches, Educational Services (e.g., Library, Reading Rooms, etc.), Recreation Services (Clubs, Sports, Theatres, Cinemas, etc.), Transport, Sanitation (at work places), Drinking Water Facilities, Vacation Homes, etc. The net amount spent including depreciation but excluding any capital expenditure was recorded. In the course of the pilot enquiry, it was noticed that in most of the cases, employers either did not maintain **any** records separately for the above-mentioned items or expenses related not only to persons falling within the scope of the study but also to others. Hence, the field staff were asked to obtain estimates, wherever such statistics were not available separately for the above-mentioned items, and/or for the employees covered by the study only. In the latter case, estimates were made on the basis of the proportion that the employees coming under the scope of the study formed to the total employees. Statement 8.5 gives details in respect of the cost on subsidies per man-day worked as revealed by the data collected.

At the all-India level, the cost on subsidies amounted to Re. 0.32 per man-day worked or about 5 per cent. of the total labour cost. The main items of expenditure under this head were company housing, sanitation, medical and health care, canteens and educational services. These items of expenditure together accounted for about 89 per cent. of the total cost on subsidies. The remaining cost on subsidies (about 11 per cent.) was accounted for by expenditure on recreation services, transport, drinking water, washing facilities, credit unions, creches, cultural services, etc. Data collected have revealed that more was spent on subsidies in the Residual Group than in West Bengal.

#### 8.2.7. *Direct Benefits*

Direct benefits are those benefits which are paid by employers directly to the beneficiaries without any intermediary or external agency. Such benefits are given to the workers on occasions like birth, marriage, death or dependency (family allowance). The Survey has, however, revealed that no such benefits were given by the employers in the Paper and Paper Products Industry during the year 1964.

#### 8.2.8. *Some Other Payments Related to Labour Cost*

Under this group, expenses, relating to recruitment, vocational training, apprenticeship and on-the-job medical services were recorded. A perusal of Statement 8.2 (Col. 11) would show that this group accounted for a small

STATEMENT 8.5  
Estimated Cost of Subsidies Per-Man-day Worked  
(1964)

Centre	(In Rupees)								
	1	2	3	4	5	6	7	8	9
		Medical and Health care	Canteen	Company Housing	Credit Unions	Creches	Educational Services	Recreational Services	Cultural Services
1. West Bengal	..	0.07 (23.82)	0.07 (24.44)	0.04 (15.08)	0.01 (2.83)	—	0.02 (6.25)	0.01 (4.00)	* (1.10)
(a) Large Factories	..	0.09 (24.48)	0.10 (25.11)	0.06 (15.32)	0.01 (2.91)	—	0.02 (6.40)	0.02 (4.10)	* (0.77)
(b) Small Factories	..	—	—	* (6.86)	—	—	—	—	* (13.73)
2. Residual	..	0.06 (17.68)	0.06 (18.46)	0.08 (24.46)	* (0.03)	* (0.15)	0.02 (7.01)	0.01 (2.44)	* (0.74)
(a) Large Factories	..	0.07 (20.21)	0.03 (9.27)	0.10 (29.45)	* (0.03)	* (0.17)	0.03 (8.28)	0.01 (2.47)	* (0.82)
(b) Small Factories	..	0.02 (6.04)	0.16 (60.90)	0.01 (1.49)	—	—	* (1.12)	0.01 (2.39)	* (0.30)
3. All-India	..	0.06 (19.12)	0.06 (19.85)	0.07 (22.27)	* (0.63)	* (0.09)	0.02 (6.85)	0.01 (2.81)	* (0.83)
(a) Large Factories	..	0.08 (21.34)	0.05 (13.49)	0.09 (25.68)	* (0.80)	* (0.11)	0.03 (7.80)	0.01 (2.90)	* (0.80)
(b) Small Factories	..	0.01 (5.76)	0.12 (58.26)	* (1.70)	—	—	* (1.05)	0.01 (2.31)	* (0.90)

*Estimated Cost of Subsidies per Man-day Worked*  
(1964)

Centre	(In Rupees)										Percentage of Subsidies total to Labour Cost
	1	2	3	4	5	6	7	8	9	10	
		Trans- port	Sanita- tion	Drinking Water	Washing Facilities	Vacation Homes	Others	Total			
1. West Bengal	..	..	..	..	..	..	..	..	..	..	3.93
(a) Large Factories	..	..	..	..	..	..	..	..	..	..	4.53
(b) Small Factories	..	..	..	..	..	..	..	..	..	..	0.68
2. Residual	..	..	..	..	..	..	..	..	..	..	5.63
(a) Large Factors	..	..	..	..	..	..	..	..	..	..	5.60
(b) Small Factories	..	..	..	..	..	..	..	..	..	..	5.76
3. All-India	..	..	..	..	..	..	..	..	..	..	5.11
(a) Large Factories	..	..	..	..	..	..	..	..	..	..	5.27
(b) Small Factories	..	..	..	..	..	..	..	..	..	..	4.33

NOTE :—Figures within brackets are percentages to total. Percentages have been calculated by taking the figures up to 4 decimal places.

\*Less than Re. 0.005.



sum of Re. 0·02 per man-day worked in the Industry, as a whole. The expenditure was mainly on apprenticeship, on-the job medical services and cost of recruitment.

8·2·9. *Others*

Under this head, only those expenses which could not be grouped under any of the heads or sub-heads of the labour cost items were recorded. Expenses incurred by the employers in connection with the supply of protective equipment, salaries of Labour/Welfare Officers and leave travel concession accounted for Re. 0·04 or 0·68 per cent. of the total labour cost per man-day worked.

## CHAPTER IX

### SUMMARY OF FINDINGS

The Paper and Paper Products Industry today is one of the major industries of India and has made considerable progress since the Second World War, particularly after the initiation of the planning era in the country, fulfilling its targets for capacity and production. The industry is localised mainly in West Bengal and Maharashtra which accounted for about one-fourth and one-sixth respectively of the total employment during 1965.

On the basis of the present Survey, it is estimated that, on 31st March, 1965, the Industry employed 68,909 workers, of which nearly one-tenth were not covered under the Factories Act, 1948. Nearly 83 per cent. of the employees were 'Production and Related Workers (including Supervisory)' and about 8 per cent. were 'Watch and Ward' employees. The rest belonged to other categories. The working force in the Industry consisted mainly of men. Women constituted 3.5 per cent. of the total working force and the proportion of child labour was negligible. About 96 per cent. of the production workers were being paid on time-rate basis and the rest were all piece-rated. Employment of workers through contractors was not common in the Paper and Paper Products factories as nearly 6 per cent. of the factories were found to be employing contract workers who formed even less than one per cent. of the total production workers.

Nearly 76 per cent. of the production workers employed directly were permanent and about 10 per cent. each were temporary and casual workers. The remaining workers were *badlis*, probationers and apprentices. Distribution of directly employed production workers, according to their length of service, shows that on 31st March, 1965, about 25 per cent. of the workers in the Industry had put in less than one year's service and about 35 per cent. of the workers had been in a service of 10 years and above. The remaining workers came in the intermediary groups. Measures for reducing absenteeism had been taken in about 17 per cent. of the factories in the Industry, as a whole. It was, however, found that none of the factories had taken any measures for reducing labour turnover. Training and apprenticeship facilities were found to exist in about 10 per cent. of the factories in the country.

Information about wages and earnings under this Survey was collected for all categories of workers except production workers because information relating to production workers had already been collected in the Second Occupational Wage Survey (1963—65) for which the data are still being processed. The analysis of the data collected show that during March, 1965, the average daily earnings of 'Administrative, Executive and Managerial Personnel' were the highest, i.e., Rs. 54.99, followed by 'Professional, Technical and Related Personnel' (Rs. 17.98), 'Clerical and Related Workers (including Supervisory)' (Rs. 10.97) and 'Watch and Ward and other Services' (Rs. 4.16). Data collected under the Payment of Wages Act show that during 1965, the average daily earnings of all workers were Rs. 5.33.

The practice of paying a separate dearness allowance was prevalent in about 27 per cent. of the Paper and Paper Products factories in the country. In about 37 per cent. of the factories paying a separate dearness allowance, the amount paid varied according to the income slabs, in about 26 per cent., it was paid at a flat rate and in about 13 per cent. the amount paid was at the discretion of the managements. In the rest of the factories (i.e., about 24 per cent.), there were more than one system of paying dearness allowance.

About 12 per cent. of the establishments paid production/incentive bonus to their employees. The system of paying some night shift allowance, house rent allowance and attendance bonus existed in about 5, 11 and 9 per cent. of the factories respectively. About 46 and 19 per cent. of the factories paid annual bonus and festival bonus respectively. A scheme of paying profit-sharing bonus was prevalent in only one factory in the Industry.

Nearly 59 per cent. of the Paper and Paper Products factories were working single shift daily, about 11 per cent. double shifts and the remaining about 30 per cent. were working 3 shifts. Night shifts were being worked in about one-third of the factories in the country and in most of them, there was a regular system of changing workers from night shift to day shift and *vice versa*. The data collected during the present Survey show that about 96 per cent. of the Paper and Paper Products factories worked for more than 7 and up to 8 hours a day and about 2 per cent. worked for more than 8 and up to 8½ hours a day. However, the weekly hours of work did not exceed 48 in any of them. The rest of the factories (i.e., about 2 per cent.) had no fixed hours of work. With the exception of about 12 per cent. of the factories where there was either no rest-interval or the same had not been fixed, all others were allowing rest-interval varying from less than half an hour to two hours.

In regard to such basic necessities as latrines, the position was found to be more or less, satisfactory as the percentage of the factories where such facilities existed was about 93. Separate urinals were, however, found to be provided in about 57 per cent. of the factories at the Industry level.

Earned leave with pay was being allowed to the employees in 93.5 per cent. of the factories in the country. It is estimated that about 80 per cent. of the workers availed themselves of earned leave during 1964, and about half of them took leave for over 15 days. The practice of granting casual leave and sick leave with pay existed in about 38 and 19 per cent. of the factories respectively. National and/or festival holidays with pay were being allowed to workers in all the factories surveyed. All the factories surveyed were found to be complying with the provision of the law in regard to the granting of a weekly off to their employees.

Suitable arrangements for the supply of drinking water were found to be existing in about 98 per cent. of the factories in the Industry, as a whole, and cooled water during the summer months was being supplied in about 72 per cent. of the factories. Washing facilities were found to have been provided in about 79 per cent. of the factories and about three-fourths of them were providing some cleansing material also such as soap, washing soda, towels and kerosene oil. Bathing facilities were also available in nearly 31 per cent. of the factories in the Industry.

Canteens had been provided in about 83 per cent. of the factories which were under an obligation to do so. In all, canteens were functioning in about 16 per cent. of the units in the industry, whether under obligation or not. Only two factories employed more than 50 women workers but only one of them had provided a creche. Rest shelters were provided in about 39 per cent. of the factories required to do so. In all, they existed in about 7 per cent. of the factories in the industry, as a few had provided the rest shelters voluntarily.

Recreation facilities for workers existed in about 14 per cent. of the Paper and Paper Products factories in the country. Educational facilities for the workers' children had been provided in about 5 per cent. of the factories. About 9 per cent. of the factories in the Industry, as a whole, were providing hospitals/dispensaries. As regards ambulance rooms, about 12 per cent. of the factories in the Industry, as a whole, were under a statutory obligation to provide an ambulance room and about 18 per cent. of them had fulfilled their obligation. First-aid boxes were provided in about 92 per cent. of the factories, out of which nearly 87 per cent. were easily accessible to the workers. About 43 per cent. of the factories had appointed trained first-aiders. The contents of the boxes were complete in only about one-fourth of the cases.

Not much attention seems to have been paid by the Industry to the problem of providing residential accommodation for its employees since only about 27 per cent. of the factories had provided accommodation to about 26 per cent. of their employees. In about 69 per cent. of the cases, no rent was charged from the allottees.

Provident fund schemes were in force in about 71 per cent. of the Paper and Paper Products factories in the country and about 74.5 per cent. of the workers were members thereof. It was observed during the Survey that only one large factory in the Industry, as a whole, had introduced a pension scheme for its employees. Gratuity schemes were, however, in force in about 22 per cent. of the Paper and Paper Products factories.

It is estimated that, during 1964, the frequency rate of accidents per thousand workers employed in the Industry was about 30. Most of the workers involved in accidents suffered only temporary disability.

Trade unions existed in about 34 per cent. of the factories and 67 per cent. of the workers were members of these unions. The managements of about 88 per cent. of the factories having unions had accorded recognition to some or all the unions functioning in their factories. Collective agreements, since 1956, had been concluded in about 22 per cent. of the factories in the country.

Standing Orders were reported to have been framed in about 64 per cent. of the units which were under an obligation to do so. Including a few others which had framed the Standing Orders voluntarily, the percentage of units having framed such Orders was about 23 in the entire industry. It was observed that about 12 per cent. of the factories in the Industry, as a whole, were under a statutory obligation to appoint Labour or Welfare Officers and that, from among them, all but one factory had fulfilled their obligation. Compliance with law apart, such Officers were there in about 14 per cent. of the factories in the Industry. Works/Joint Committees were found to have been set up in about 9

per cent. of the factories. However, of the factories under an obligation to do so, only about one-third had complied with law. A prescribed grievance procedure existed in about 23 per cent. of the factories.

Data pertaining to labour cost collected in respect of workers receiving less than Rs. 400 per month show that, in 1964, the cost per man-day worked in the Industry was Rs. 6.34. Wages, i.e., basic wages, dearness allowance, incentive/production bonus and attendance bonus alone accounted for about 75 per cent. of total labour cost. Other important elements of labour cost were social security contributions (7 per cent.), bonuses (5 per cent.) and subsidies (5 per cent.).

Salient features of the Paper and Paper Products Industry in the country as thrown up by the Survey of Labour Conditions are presented in the following Statement.

#### STATEMENT 9.1

##### *Salient Features of the Paper and Paper Products Industry*

Particulars	Estimates for the industry as a whole
1	2
<b>I. Employment</b>	
<i>Total</i> .. .. .	68,909
Of which Production and Related Workers .. .. .	83%
Others .. .. .	17%
Women Labour .. .. .	4%
<i>Production Workers (Total)</i> .. .. .	55,700
Of which Time-rated .. .. .	96%
Piece-rated .. .. .	4%
Employed through Contractors .. .. .	1%
<i>Production Workers Employed Directly (Total)</i> .. .. .	55,321
Of which permanent workers .. .. .	76%
Workers with service of 10 years and more .. .. .	35%
<b>II. Wages and Emoluments</b>	
Average daily earnings of	
(i) All Workers (1965) .. .. . Rs.	5.33
(ii) Professional, Technical and Related Personnel (March 1965) .. Rs.	17.98
(iii) Administrative, Executive and Managerial Personnel (March 1965) Rs.	54.99
(iv) Clerical and Related Workers (including Supervisory) (March 1965) Rs.	10.97
(v) Watch and Ward and Other Services (March 1965) .. Rs.	4.16
<i>Proportion of</i>	
Factories paying separate dearness allowance .. .. .	27%
Factories in which the dearness allowance was linked with the Consumer Price Index Number* .. .. .	—
Factories paying production/incentive bonus .. .. .	12%
Factories paying annual bonus .. .. .	46%
Factories paying festival bonus .. .. .	19%
<b>III. Hours of Work, etc.</b>	
(Proportion of)	
Factories where daily hours of work were 8 or less .. .. .	96%
Factories where weekly hours of work were 48 or less .. .. .	98%
Factories where spread-over was up to 9½ hours .. .. .	93%
Factories where rest-interval was up to one hour .. .. .	80%

\*Out of those paying separate dearness allowance.

STATEMENT 9·1—*contd.*IV. *Leave and Holidays with Pay*

(Proportion of units granting)

Earned leave	..	..	..	..	..	..	94%
Sick leave	..	..	..	..	..	..	19%
Casual leave	..	..	..	..	..	..	38%
National and festival holidays	..	..	..	..	..	..	100%
Weekly off	..	..	..	..	..	..	88%

V. *Welfare and Amenities*

(Proportion of units providing)

Seating arrangement (out of those where workers had to do work standing)	..	..	..	..	..	..	78%
Drinking water facility	..	..	..	..	..	..	98%
Washing facility	..	..	..	..	..	..	79%
Rest shelters	..	..	..	..	..	..	7%
Canteens	..	..	..	..	..	..	16%
Creches	..	..	..	..	..	..	1%
Latrines	..	..	..	..	..	..	93%
Urinals	..	..	..	..	..	..	57%
Labour/Welfare Officers	..	..	..	..	..	..	14%
First-aid boxes	..	..	..	..	..	..	92%
Ambulance rooms.	..	..	..	..	..	..	2%
Recreation facilities	..	..	..	..	..	..	14%
Educational facilities	..	..	..	..	..	..	5%
Housing facility	..	..	..	..	..	..	27%
							26%*

VI. *Social Security*

(Proportion of units having)

Provident fund schemes	..	..	..	..	..	..	71%
Pension schemes	..	..	..	..	..	..	1%
Gratuity schemes	..	..	..	..	..	..	22%
Proportion of workers covered under Provident Fund Schemes	..						74%

VII. *Accident Rate*

(Per thousand workers employed)	..	..	..	..	..	..	30
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VIII. *Industrial Relations*

Factories having trade unions	..	..	..	..	..	..	34%
Proportion of workers who were members of trade unions	..	..					67%
Units having concluded collective agreements	..	..					22%
Factories having Standing Orders	..	..	..	..	..	..	23%
Factories having Works/Joint Committees	..	..	..	..	..	..	9%

IX. *Labour Cost*

Labour Cost per man-day worked during 1964	..	..	..	Rs.	6·34
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\*Indicates percentage of workers housed.

## APPENDIX

### *A Brief Note on the Sample Design and the Method of Estimation Adopted*

#### *1. Sample Design*

For the Survey of Labour Conditions, a multi-stage sampling procedure with industry as a stratum, with further regional strata for those industries which were found to be highly concentrated in particular regions or areas, was followed. The registered factories belonging to those industries for which regional stratification was found necessary were stratified and each centre or area of high concentration was taken as a separate regional stratum of the industry and the remaining scattered factories were clubbed together into a single residual stratum. Establishments in an industry/regional stratum were arranged in a frequency distribution fashion with suitable class intervals and were divided into two size-groups, large factories and small factories, on the basis of an optimum cut-off point derived for each industry. The optimum cut-off point was so derived that if all the establishments in the upper size group were included in the sample, the results obtained would yield an estimate of over-all employment within 5 per cent. error at 95 per cent. confidence interval, and the sample size would be minimum. The optimum cut-off point varied from industry to industry. For the Paper and Paper Products Industry it was chosen as 165 which was approximately equal to the average size of employment in the Industry. However, considering the limited resources available for the Survey of Labour Conditions and the practicability, etc., it was thought that a sample of 25 per cent. from the upper size group and  $12\frac{1}{2}$  per cent. from the lower size group would yield reliable results. However, the experience of earlier Surveys had shown that due to (i) non-availability of very recent frame, (ii) closures, and (iii) units changing their line of production, considerable shrinkage had occurred to the desired sample size. Hence it was decided that for taking into account such closures etc., the required sample size should be increased to allow for the above mentioned shrinkage. Since the sample size in respect of almost all industries had been inflated to safeguard against shrinkage due to closure of units, etc., substitution was resorted to only in case of abnormal closures of units, in the manner explained below:—

I. In case of such industries where the sample size had not been inflated substitution was done to replace the sampled units found closed.

- (a) If the number of sampled units was 5 or less in size class of a particular industry/stratum; or
- (b) The number of units found closed, etc., was more than 1 in a sample of 6 to 10 units of size class of particular industry/stratum.
- (c) In cases where the sample size was more than 10 units, substitution was made when the extent of closures was 50 per cent. or more.

II. For industries where the sample size had already been inflated substitution was done only if the extent of closures was 50 per cent. or more irrespective of the size of the sample unless such a high rate was already noticed in the Second Occupational Wage Survey and consequently taken into account in fixing the sample size.

The ultimate sampling units, namely registered factories, within an industry/regional stratum were arranged by contiguous States and within each State by contiguous districts in a serpentine fashion so that districts formed a continuous chain from one State to another. Having arranged the list of units in the above manner, the units above the optimum cut-off point were taken in the upper-size class and the rest in the lower-size class. From these size-groups, the required number of units were selected by systematic sampling with a random start. The frame on the basis of which the sample was selected in the case of Paper and Paper Products factories was the list of registered factories for the year 1963.\*

## 2. Method of Estimation

In the course of the Survey, various characteristics were studied, some of which were correlated with employment whereas there were others which were not correlated with employment but with the number of establishments. Consequently, two different methods were used for working out estimates.

For estimating the totals of those characteristics which are highly correlated with employment such as labour cost, etc., ratio of total employment was used as the blowing up factor. For estimating the totals of those characteristics which are not correlated with employment such as, number of units providing certain welfare facilities, etc., the ratio of units was used as the blowing up factor. Estimates of percentages have been arrived at by computing in each case the ratio of the estimates of the totals for the two characteristics involved.

More precisely, in any stratum the estimate for the total of X-characteristic not correlated with employment has been obtained as:—

$$X = \frac{N_u - N'_u}{n_u - n'_u} \sum_i X_{iu} + \frac{N_l - N'_l}{n_l - n'_l} \sum_i X_{il} \quad (i)$$

The summation extending over all the sampled units surveyed in the stratum.

Where  $X$  = the estimated total of the X-characteristic for a particular stratum.

$N_u$  and  $N_l$  = the number of units in the original population as featuring in the 1963 list, which was used as frame, in the upper and lower size groups respectively of the stratum.

$N'_u$  and  $N'_l$  = the number of units which featured in the 1963 list but were not featuring in the list relating to the period more or less coinciding with the period of the Survey in the upper and lower size-groups respectively, of the stratum.

$n_u$  and  $n_l$  = the total number of units in the sample (from 1963 list) in the upper and lower size groups respectively of the stratum.

$n'_u$  and  $n'_l$  = the number of sampled units, which were found at the time of the Survey to be closed or to have changed the line of production and hence left out in the upper and lower size groups respectively of the stratum.

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\*For Andhra Pradesh and Maharashtra list relates to the year 1962.



$X_{iu}$  and  $X_{il}$  =the total of the characteristic— $X$  in the  $i$  *th* sample unit of the upper and lower size groups respectively of the stratum.

In any stratum/industry the estimate for the characteristic— $Y$  correlated with employment is given by

$$Y = \frac{\sum_i Y_{iu}}{N_u - N'_u} + \frac{\sum_i Y_{il}}{N_l - N'_l} \quad \dots (ii)$$

The summation extending over all the sampled units surveyed in the stratum.

Where  $Y$  =the estimated total of the characteristic— $Y$  for a particular stratum.

$\sum_i Y_{iu}$  and  $\sum_i Y_{il}$  =the total employment in 1963 in  $N_u - N'_u$  and  $N_l - N'_l$  units respectively, of the stratum.

$\sum_i Y_{iu}$  and  $\sum_i Y_{il}$  =the total employment in 1963 in  $n_u - n'_u$  and  $n_l - n'_l$  sampled units respectively of the stratum.

$Y_{iu}$  and  $Y_{il}$  =the total of characteristic— $Y$  in the  $i$  *th* sample unit of the upper and lower size groups respectively of the stratum.

The totals for an industry are obtained by summing up the totals obtained on the basis of the above formulae for each one of the strata of an industry.

*Published Reports on Survey of Labour Conditions*

Serial No.	Symbol	Title of the Report	Year of Publication	Price
1	2	3	4	5
				Rs. P.
1	DLB-41/1000	Report on Survey of Labour Conditions in Silk Factories in India.	1964	5-50 or 12 Sh. 10 d. or 1 \$ 98 cents.
2	DLB-46/1000	Report on Survey of Labour Conditions in Woollen Factories in India.	1964	3-60 or 8 Sh. 5 d. or 1 \$ 30 cents.
3	DLB-45/850	Report on Survey of Labour Conditions in Agricultural Implements Factories in India.	1964	3-20 or 7 Sh. 6 d. or 1 \$ 16 cents.
4	DLB-58/1050	Report on Survey of Labour Conditions in Machine Tool Factories in India.	1965	4-20 or 9 Sh. 10 d. or 1 \$ 52 cents.
5	DLB-50/850	Report on Survey of Labour Conditions in Bicycle Factories in India.	1965	3-55 or 8 Sh. 4 d. or 1 \$ 28 cents.
6	DLB-55/900	Report on Survey of Labour Conditions in Bolts, Nuts, Nails, Springs and Chains Factories in India.	1965	3-85 or 9 Sh. or 1 \$ 39 cents.
7	DLB-69/800	Report on Survey of Labour Conditions in Electrical Machinery Factories in India.	1965	3-00 or 7 Sh. or 1 \$ 8 cents.
8	DLB-71/800	Report on Survey of Labour Conditions in Textile Machinery and Accessories Manufacturing Factories in India.	1965	2-80 or 6 Sh. 7 d. or 1 \$ 1 cent.
9	DLB-61/950	Report on Survey of Labour Conditions in Cement Factories in India.	1965	3-20 or 7 Sh. 6 d. or 1 \$ 16 cents.
10	DLB-60/800	Report on Survey of Labour Conditions in Rubber Plantations in India.	1965	4-40 or 10 Sh. 4 d. or 1 \$ 59 cents.
11	DLB-62/800	Report on Survey of Labour Conditions in Metal Extracting and Refining Factories in India.	1965	4-20 or 9 Sh. 10 d. or 1 \$ 52 cents.
12	DLB-40/1050	Report on Survey of Labour Conditions in Jute Factories in India.	1965	6-25 or 14 Sh. 7 d. or 2 \$ 25 cents.
13	DLB-68/800	Report on Survey of Labour Conditions in Metal Founding Factories in India.	1966	3-15 or 7 Sh. 5 d. or 1 \$ 14 cents.
14	DLB-70/950	Report on Survey of Labour Conditions in Motor Vehicle Manufacturing and Repairing Factories in India.	1966	4-00 or 9 Sh. 4 d. or 1 \$ 44 cents
15	DLB-87/800	Report on Survey of Labour Conditions in Railway Workshops in India.	1966	3-15 or 7 Sh. 5 d. or 1 \$ 14 cents
16	DLB-74/800	Report on Survey of Labour Conditions in Metal Rolling Factories in India.	1966	3-40 or 8 Sh. or 1 \$ 23 cents.
17	DLB-109/800	Report on Survey of Labour Conditions in Manganese Mining Industry in India.	1967	4-85 or 11 Sh. 4 d. or 1 \$ 75 cents.

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				Rs. P.
18	DLB-97/800	Report on Survey of Labour Conditions in Mica Mining Industry in India.	1967	4.30 or 10 Sh. 1 d. or 1 \$ 55 cents.
19	DLB-113/700	Report on Survey of Labour Conditions in Gold Mines in India.	1967	2.70 or 6 Sh. 4d. or 98 cents.
20	DLB-78/950	Report on Survey of Labour Conditions in Cotton Textile Factories in India.	1967	7.00 or 16 Sh. 4 d. or 2 \$ 52 cents.
21	DLB-105/800	Report on Survey of Labour Conditions in Coffee Plantations in India.	1967	3.45 or 8 Sh. 1 d. or 1 \$ 25 cents.
22	DLB-112/950	Report on Survey of Labour Conditions in Sugar Factories in India.	1967	4.50 or 10 Sh. 6 d. or 1 \$ 62 cents.
23	DLB-117/950	Report on Survey of Labour Conditions in Tea Plantations and Tea Factories in India.	1967	4.40 or 10 Sh. 4 d. or 1 \$ 59 cents.
24	DLB-118/900	Report on Survey of Labour Conditions in Coal Mining Industry in India.	1968	7.75 or 18 Sh. or 2 \$ 79 cents.
25	DLB-107/800	Report on Survey of Labour Conditions in Iron Ore Mining Industry in India.	1968	3.60 or 8 Sh. 5 d. or 1 \$ 30 cents.
26	DLB-110/800	Report on Survey of Labour Conditions in Ship Building and Repairing Factories in India.	1968	3.45 or 8 Sh. 1 d. or 1 \$ 25 cents.
27	DLB-138/800	Report on Survey of Labour Conditions in Glass Factories in India.	1969	8.50 or 19 Sh. 10 d. or 3 \$ 06 cents.
28	DLB-134/750	Report on Survey of Labour Conditions in Artificial Manure Factories in India.	1969	6.85 or 16 Sh. 0 d. or 2 \$ 47 cents.
29	DLB-143/800	Report on Survey of Labour Conditions in Hydrogenated Oil Factories in India.	1969	4.15 or 9 Sh. 9 d. or 1 \$ 50 cents.
30	DLB-137/800	Report on Survey of Labour Conditions in Fine and Pharmaceutical Chemical Factories in India.	1969	6.25 or 14 Sh. 7 d. or 2 \$ 25 cents.
31	DLB-140/800	Report on Survey of Labour Conditions in Cigarette Factories in India.	1969	2.90 or 6 Sh. 10 d. or 1 \$ 5 cents.
32	DLB-136/800	Report on Survey of Labour Conditions in Footwear Factories in India.	1969	6.50 or 15 Sh. 2 d. or 2 \$ 34 cents.
33	DLB-146/800	Report on Survey of Labour Conditions in Electric Light and Power Stations.	1969	4.10 or 9 Sh. 7 d. or 1 \$ 48 cents.
34	DLB-145/800	Report on Survey of Labour Conditions in Tanning and Leather Finishing Factories in India.	1969	6.50 or 15 Sh. 2 d. or 2 \$ 34 cents.





